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INSTITUTE FOR RESEARCH ON POVERTY DISCUSSION PAPERS

AMBIGUITY AND THE POLITICAL SYSTEM

I. The Art of "Muddling Through": Policy-Making

and Implementation in the Field of Welfare

II. The American Political System and the Innovative

Power of "Mild Chaos"

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ABSTRACT

"Muddling through" is generally considered to be a good description

of much of British public life, and of its politics and administration.

In this paper it will be argued that this concept, in fact, reflects

deeper social and political realities which apply both to Great Britian

and to the United States. In England, muddling through has been a part

of consensus politics, sometimes thought of as part of the genius for

compromise. In essence, muddling through meant acting pragmatically--and

in piecemeal fashion--rather than dogmatically. It also meant making

things less than explicit, avoiding the extremes of conflict--and, to its

critics--blurring the lines of the argument and hampering the rational

search for coherent policy. Muddling through also let administrators

pursuade the politicians that new directions were not harmful. And

finally, muddling through helped to avoid alienating the middle and

propertied classes, diverting their attention from uncomfortable changes

or making these more acceptable.

These problems, and these criteria, apply with equal validity to

the United States. In the first part of the paper we are concerned with

an aspect of the art of politics as it applies to a particularly

contentious and difficult aspect of public policy-making: attitudes

toward, and the evolution of programs for, the welfare of the poor.

In Part II we look at the American political system and the innovative

power of "mild choas." In doing this the paper examines metropolitanism

and the world of intergovernmental nations.

The Art of "Muddling Through": Policy-Making and

Implementation in the Field of Welfare

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These problems, and these criteria, apply with equal validity to the

United States. "Muddling through" is not a new idea as applied to American

political life; fifteen years ago Charles E. Lindblom examined aspects of

decision-making under the title: "The Science of 'Muddling Through'".[1]

Here, however, we are concerned with an aspect of the art of politics as it

applies to a particularly contentious and difficult aspect of public policy-

making: attitudes toward, and the evolution of programs for, the welfare of

the poor. In this field, as this paper will try to show, muddling through has

been essential to the continuity of welfare programs. And, in spite of the gloom of some social scientists over the crisis of the cities and the crisis of welfare, muddle and less than perfect solutions are, in fact, what the public is content with. It is no use lamenting over the state of the cities because in reality this is the way people are willing to tolerate it; when things get really bad, then solutions will be found and implemented. Simply put, this view is that when Americans decided that they wanted highways, then they built highways. So too, when they want to solve the welfare problem, they will solve the welfare problem. Until that time—which some argue is now imminent—muddling through is a reflection of public satisfaction.

There is a further important reason for considering policy-making and policy from this particular point of view, which arises from the contradictory standpoint that muddle must be eliminated and new directions must be sought to solve society's problems. For example, in the mid-1960s the British government, then under the leadership of Harold Wilson, the Labour Prime Minister, encouraged the implementation of social policies first enthusiastically propagated by British civil servants impressed with certain aspects of the American antipoverty program. The parts of the American programs which were most enthusiastically favored were two-fold. First, there were the various attempts to involve the poor themselves in the way the programs were provided and to encourage their participation in the actual delivery of services. Second, various kinds of "action-research" were devised in selected areas of English cities, similar to a variety of American "demonstration" projects. These aimed to evaluate the effect of such concentrated efforts to tackle the whole gamut of poverty in neighborhoods characterized by a range of factors associated with poverty. This imitation of American "action research", whatever its practical outcome (about which there are some reservations), certainly

represented a departure for a British Labour Party of the social democractic type. Instead of seeing problems in economic and social terms, and then applying universalistic remedies, it adopted a piecemeal strategy. Given its past history and ideology, the British Labour Party can be said to have moved from a concern with social justice universally applied (however muddled in actual practice) to a policy of limited action based on the categorization of the poor as a special case.

The second event which occurred in England at the end of the 1960s and which is again related to American experience is that the return of a Conservative administration to power meant a renewed concern with management as an antidote to muddle and ambiguity. The difficulty is that a call for better administrative processes, for more scientific management, can be a tempting substitute for policy-making based on a re-evaluation of the basic problems. It is a feature of conservative governments everywhere that they have a strong tendency to believe that, if only the administrative mess could be straightened out, the right technocrats and professionals hired and left to "get on with the job" without interference from politicians or people, then many problems would be quickly solved. For conservatives, "good administration" is a substitute for partisan politics and its unnecessary conflicts and compromises. Thus there is always a temptation to believe that it is not necessary to re-examine the structure of economic and social life in order to devise policies for dealing with poverty, since better management of programs, together with some "rationalization" of program complexity, will solve the problem.

The faith in scientific management has also been, on occasion, a means of alternative policies. And the search for policy and programs, in both the United States and Great Britian under Conservative administration in recent

years, had thus had some interesting results. It has been argued that,

instead of the "welfare mess" in the United States, or the "cheaters and

scroungers" and rising costs in Britain, the rational solution would be to

produce a better, Family Assistance or Tax Credit Plan. Such a plan will be less

of a mess, less susceptible to cheating, and money will go to those who really

need it, because it will be a more rationally devised scheme and much better

administered through (in the English case) a streamlined tax system. The

faith in good administration and scientific management, have thus been

directly responsible for the search for new or revised policies. And those

who took this view were also, by that very fact, predisposed to certain

program outcomes rather than others.* Policy and its implementation are thus

not neutral or value-free (an argument which does not need reiteration here).

And they are also subject to differences between different groups and parties

in society according to what may be termed the differences in administrative

and political style between parties as well as according to their policy

or ideological differences.

Policy: Aims and Goals

First, some figures. In the United States in 1960, the officially counted

poor numbered some 39.8 million people, of which only 7.1 million received

public assistance. About 2 million people lived in low-rent public housing

and some 4.3 million received surplus agricultural commodities. A decade

later the numbers of officially counted poor had dropped substantially, to

25.5 million, of which 13.8 million received public assistance (i.e., double the

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*There was always, of course, an antithesis to the thesis of scientific
management: academics and others, being more theoretically disposed, continued
to pursue fundamental structural issues as well as goal-orientated ones.

numbers of a decade earlier). Two and a half million now lived in public housing, and over twice as many--some 10 million--now received food stamps and surplus agricultural commodities.

In the years from 1960 on there have been, according to Ted Marmor and Martin Rein, four conflicting goals in welfare policy-making: adequate relief in distress; effective (perhaps punative) work incentives; substantial state and local financial relief; and reduced federal costs over the long run.[2] The efforts to reconcile these conflicting aims were unsuccessful (and may be again).

Similarly, just as goals were likely to be divergent, so too were people's perception of the aims of welfare reform. In the same period since 1960 there have been three different conceptions of reform. In 1962 there was a call for a strategy of rehabilitation. In 1967 there was a call for a work incentive strategy (with the "$30 + 1/3rd" rule a response to complaints that families with dependent children were no better off 'on work' than 'on welfare'). In 1969 the aim was incentives and coercion combined. The Family Assistance Plan of that year evolved into the 1972 bill known as H.R.1 in which coercion was a central theme; but this dissolved into legislative stalemate.[3] Instead, Congress enacted what are known as the Talmadge Amendments (see below).

The aim of work incentive is most explicit in the WIN program. The Economic Opportunity Act of 1964 expanded the 1962 Community Work and Training Program funded by Congress under the Social Security Act setting up a Work Incentive (WIN) Program. There is now an often-expressed disquiet among legislators and others at the achievements and cost of this program. But this needs to be put into perspective.

<u>Implementation: (1) the Example of WIN</u>

There has been a steady growth of the cost of WIN from $33 million
in fiscal 1969 to $250 million in fiscal 1972. But in spite of this,
<u>appropriations have invariably exceeded expenditures</u>. Even though the matching
contributions of the states has been reduced to the 10 percent level, many states
have been unable or unwilling to meet these matching requirements. States,
as ever, varied widely in what they actually did provide under the WIN
program. Sar A. Levitan and David Marwick saw that in fiscal 1971 in
Georgia, for example, where unemployed fathers were not eligible for training
under the program, 43 percent of the WIN budget went on child care supporting
services. By contrast, only 8 percent of California's budget went on this item
and 41 percent went on training, since California had allowed males into the
program.[4] That is, the implementation of the policy was almost directly the
reverse in one State compared with what it was in the other.

Cost per enrollee in WIN has been high. The estimates vary but range
between $3600 to $5000 per successful enrollee (only about one in four
enrollees was actually placed successfully). It is a moot point, therefore,
whether WIN has actually helped people to leave welfare and so reduce overall
welfare costs. But, even for "successful enrollees", wages remained low.
And many poor people went onto, and off, the welfare rolls with depressing
regularity, in an oft-remarked "cycle of poverty". Families moved between
welfare and work as family circumstances, and the availability of jobs in
the labor market, changed. Even so, the Aid For Dependent Children (AFDC)
program statistics show that the median time on welfare is only twenty months.[5]

Examination of the characteristics of the enrollees, and of the profile
of success in training the poor for work in the normal labor market, illustrate

some familiar problems in the field of welfare. Work incentive enrollees

have included a disproportionate share of males and of the most eligible of

welfare mothers (those who, regardless of whether they were required to regis-

ter or not, in fact volunteered for training, and who had few child care needs).

In fiscal 1972 about half the enrollees were male, even though only about 6 percent

of welfare families are headed by an employable but unemployed father. And

though whites comprised about half of the welfare families they made up two-

thirds of the enrollees. Enrollees also had higher formal educational

attainments. All in all, the enrollees were the most employable of welfare

recipients.

Successful completion of training--attained by some 24 percent of enrollees-did

not, however, guarantee a job, and employment, in its turn, did not guarantee

economic independence. On-the-job training was found to be the most promising

assignment for enrollees, in terms of employment and pay, but in May 1972

only 2 percent of WIN enrollees were in such on-the-job training. Public service

employment was almost nil.

Dissatisfied with this situation, Congress laid down in the Talmadge

Amendments of December 1971 that more emphasis must be placed on job placement

as opposed to job training. In addition, the financial contribution which

the states had to make was reduced, so that states' share of training costs

was cut from 20 percent to 10 percent. Even so, Levitan and Marwick claim,

past experience did not encourage hope that the Department of Labor could

develop more on-the-job training to meet the remaining needs.[6] And generous

federal subsidies for public service jobs--100 percent in the first year

reducing through 75 percent to 50 percent in the third year--was hampered by

the fact that The Labor Department limited these subsidies to employers

who agreed to hire each participant into a regular unsubsidized job with-

in six months to one year. This was, therefore, a relatively

unattractive inducement to employers. Similarly, the investment tax

credit, provided by the Revenue Act (1971), and operated under the Talmadge

Amendments (which in addition to reimbursing employers for on-the-job training

gave them a tax credit for wages paid--i.e., it was essentially a government

wage subsidy program) was severely hampered by the long period during which

credits could be recouped. Again, employers found this an unattractive

inducement.

The administration, the costs, and the achievements of the WIN program are

not, however, the whole story. As will be argued below, the program meets

other needs besides those of the poor themselves. Senator Talmadge's 1971

amendments, and other proposals, were based on the belief that the poor must be

forced to work since they had little personal will or motivation to do so.

But in fact the research done on the question of whether the poor are able

and willing to work has persistently and repeatedly shown that the "workshy

poor" is a false assumption. As Leonard Goodwin has demonstrated, not only

did the welfare recipients want to work, they in fact shared all the general

norms and attitudes of the population as a whole. Even the long-term

welfare mothers and their teenage sons continued to have a strong work ethic

and did not need to be taught the importance of work.[7]

More than this, the evidence suggests that, even where jobs were scarse,

relatively insecure (because of the fluctuations of the labor market and

"last in, first out" rules), and badly paid, the poor still persisted in their

desire to work. And many poor families were, in fact, headed by workers earning

less than the poverty standard. What distinguished the employed from the

unemployed poor at any one time was, clearly, job opportunities and

demographic problems--the size of families. And in this, the United

States pattern is much the same as that in European countries. From

the point of view of politics and administration, however, the end

result of these false assumptions about the work ethic of the poor
has been serious. A great deal of money, administrative time and
effort--and political rhetoric--has been expended on running programs
with certain demands, restraints and coercions which were largely unnecessary.
Broadly, Goodwin has summed it up by saying: "Mothers who are unable to
support themselves and their families can be supported at a decent level
by public funds without fear of damage to their work ethic or that of
their sons".[8]

Equally fundamental, and more politically and administratively hypo-
critical, were four other (unfounded) beliefs about the structure of the
labor market (and consequently the employability of the poor). First, there
was the belief that jobs existed. Second, the assumption that these were
the right jobs. Third, there was the belief that jobs for poor people were
in the right place at the right time. And finally there was the assumption
that these jobs were (more or less) permanent. All of these assumptions
were open to severe question. Bradley R. Schiller's review of the research
is pertinent: "Participation in WIN appears to be conditioned by the avail-
ability of jobs, with WIN functioning as an alternative to regular employment:
when jobs are available, trainees leave the program to take them. Thus, the
present excess demand for WIN reflects in part the absence of viable
employment opportunities".[9] Furthermore, as he points out, "With over 5
million people unemployed in the labor market, it seems preposterous to assume
that job vacancies exist in abundance for those on welfare".[10]

Misunderstandings of the structure of the labor market have been rein-
forced by ignorance of economic conditions in that market. Research has
shown that job availability has also been compounded by low wages, and by frequent
layoffs, as economic conditions fluctuated. This led one researcher to conclude
that the most important finding of his research on the situation of AFDC
mothers was that almost no-one was "making good".[11] Not surprisingly,

the conclusion must be that it is more important to understand the structural

problems in society than the personal idiosyncrasies of individual poor people.

Work and wages depend on the structure and operation of the job market

and of the economic system as a whole. These factors make work incentives,

from both the economy's and the individual's point of view, of marginal impact.

Goodwin has concluded that a more equitable distribution of the tax burden

would probably have a greater impact than government "training" programs.[12]

As is well recognized, this conclusion does not mean that the WIN

program was wholly dysfunctional in terms of the wider political system. On

the contrary, it was an important reflection of deeply held beliefs.[13] As

such, it may be said to have had a vital educational value in the evolution--and

perhaps eventual change--of those beliefs. The program served political

purposes to reflect fundamental moral vlaues: it had little or nothing to

do with economic rationality nor, for that matter, with individual rationality

either. This was inevitable, given that, as Schiller observed: "the gap

between public perspectives and welfare realities is staggering."[14]

The working out of these fundamental values underlying welfare policy of

the 1960s and early 1970s was clearly to be seen in the congressional solutions

to welfare problems. Work incentives have been thought to be essential since,

in the eyes of Senate Finance Committee members and especially their chair-

man, Senator Russell Long, the poor had very little desire to work and earn

money. The current research of Matthew Holden Jr. emphasizes that we know very

little about the information available to, and used by, members of Congress.[15]

Certainly, if members have made use of the voluminous material on work and

welfare, it does not appear to have necessarily radically altered their existing values. Liberal legislators, of course, were more likely to hold the view that people were "on welfare" through no fault of their own and were more likely to favor higher welfare payment and were against harsh work requirements. The solution was in part, in the eyes of these more liberal legislators, to create more new jobs, mostly unskilled public service jobs.

But, although the legislation of December 1971 required that one-third of WIN funds be used for public service employment or on-the-job training, there has not been a good history of success in this sphere and, as was noted earlier, the ability of DOL to promote jobs or training was not good. Members of Congress, including Senator Russell Long, have blamed this on poor administration in The Department Labor. Goodwin's argument that this is a general response by politicians and top administrators is persuasive: "When a problem is not solved in a hierarchical situation, the higher levels blame the ineptitude of lower levels rather than consider the possibility that their own views and mandate may be in error."[16]

A further worrying feature of what might be though of as "administrative problems" rather than of fundamental issues of policy and values was that nowhere in the Department of Labor's rules and regulation about WIN was there any reference to the structure of the labor market itself. The placement of WIN trainees in jobs was emphasized, but there was no reference to, nor consideration of, what happened if there were no jobs. In the eyes of the Labor Department days Goodwin, the failure was, it appeared, that of the trainees, not of the program itself.[17] This emphasis on administrative problems or on the shortcomings of the recipients is potentially a harmful, as well as

mistaken view. Offers to help must relate to the real world and its oppor-
tunities. Goodwin himself warns: "Helping efforts are destructive when
there are no jobs, or better jobs, at the end of the line."[18]

Implementation: (2) the Example of Manpower

The various forms of aid to the poor have always included, as well as

an element of work-incentive, a parallel concern with manpower policy and

manpower training in general. The history of manpower legislation (including

the Emergency Employment Act of 1971) is complex; it has not been aimed

mainly--or perhaps even primarily--at the "undeserving" poor but has reflected

a concern with levels of unemployment in times of economic recession or

near-recession. As a result, Mayors and other chief executives have been

under pressure, at various times, from labor unions, business interests, and

others, and not merely from the severely disadvantaged. These multiple

interests are reflected at the congressional level also where, for more

than four years after 1968, there were sharp political divisions over levels

of unemployment, questions of manpower training and its control, and over

allegations of "makework", as the Nixon administration viewed it, in attempts

to provide for expanded employment in the public sector. The history of these

complexities, and of the development of manpower programs, would take the

present discussion too far afield. A brief examination is timely, however,

not merely because it shows how difficult it has been to coordinate manpower

policy with welfare but also how the newer attempts at substate (regional)

and local coordination within manpower policy has still a long way to go.

In the area of manpower, as the emphasis shifted toward helping the

disadvantaged, then so the programs grew in size and complexity. By the

early 1970s, Stanley H. Ruttenburg argued, the body of legislation was in-

consistent and full of contradictions--over planning and funding, and over the

nature of the client groups and the systems of payment to those enrolled in

the training programs.[19] In addition, local devices for cooperation,

such as CAMPS (Cooperative Area Manpower Planning System) were particularly

problematic. CAMPS were designed to plan at the local level through local

committees and then pass these plans to the state and regional committees.

In fact they did little. It is true that they brought people together from

different agencies--in itself no mean feat--but the resultant plans were,

in Roger H. Davidson's judgment, only compilations of individual program

requests.[20] That is, they were essentially list-making operations. They

could not "plan" in the sense of setting priorities, however, since they had

neither the means nor the rules by which to assert such priorities among

members. CAMPS, moreover, had no authority over the allocation of funds.

The overall weakness was due, therefore, to the fact that they had no

mandatory powers and to the fact that "planning" was divorced from execution.

At the congressional level, legislative action was protracted and

stormy. By 1968, it had become clear that the original legislation--the

Manpower Development and Training Act (MDTA) of 1962 as subsequently

amended--was in need of revision. But it was not until December 1973 that new

manpower legislation--the Comprehensive Employment and Training Act--went to

President Nixon for signature, after a four-year history of congressional

stalemates and presidential vetoes. The new legislation was a compromise

among many groups and--as ever--reflected the opposing pulls of those who

called for more on-the-job training (with or without public sector employment)

and the vocational education lobby.

Under the new legislation, manpower programming would be decentralized from the Secretary of Labor to designated 'prime sponsors'—governors, and to mayors and county officials with 100,000 or more population. These 'prime sponsors' were to plan programs to suit their own particular needs, and the former 'guidelines' delimiting money for categorical programs (MDTA Institutional training, Mainstream, and Neighborhood Youth Corps) were to end. The new act also met some of the former criticism over delayed and unpredictable funding: funds will be made available on an annual basis, by a formula based on unemployment, low income, and the previous year's level of funding. This, it was hoped, would avoid or reduce the delays in developing projects and getting them funded. It was also hoped that the formula method would reduce—if not completely eliminate—the existing arbitrariness in allocating funds to different areas. But no new funds as such were to be made available: the basic manpower allocations were to be at roughly the same level as they were in 1973, and the money for emergency-basis public service employment in areas with a 6 1/2 percent or more level of unemployment was in fact no more than a partial restoration of Emergency Employment Act monies previously cut off by the President.

WIN was not, however, incorporated into the new program and the Employment Service also remained aloof (a perennial matter of contention). What the new act did, in fact, was to consolidate MDTA and EOA. It was not, therefore, fully comprehensive. Greater cooperation, it was hoped, would come through improved voluntary effort: the local 'prime sponsors' would have one-third of the seats on the State Manpower Council, a body which was expected to review and comment on manpower plans. The act also set up local, as well as State, manpower councils to represent all the groups involved. This, it was hoped, would reduce some of the former problems experienced with CAMPS.

Implementation: (3) the example of housing

WIN was not the only program where the end result of policy was different from that which had been intended (in that case, to get the poor off welfare, into jobs, and reduce federal costs). Another example of the problem was in urban renewal. From the Housing Act, 1949, as subsequently expanded and amended, onwards, the urban renewal program succeeded, in a nutshell, in positively worsening the immediate--and it could be argued the long-term--housing situation of the poor in the cities (this is to recognize that the actual numbers of people in public housing rose in the decade 1960-1970 but in terms of relative numbers in need the point still stands). Urban renewal razed the homes of the poor, drove them into other (ghetto) locations, and thus helped by overcrowding to make these areas slums in their turn. It forced the poor out, and it also forced out small business in favor of large financial and business corporations who came to dominate renewal areas--and did so largely at federal, and thus the taxpayers', expense.

The federal government could and did insist that, to qualify for federal assistance, the local public agency set up to run urban renewal (a separate public agency, a local housing authority, or a department of a city government) had to adopt a Workable Program for Community Improvement. But in the final analysis it could not, and manifestly was not, able to do anything at all about the fact that substantial amounts of low cost housing have not been provided and that in essence "relocation" has meant "dispersal". There may have been urban renewal, but it was of financial and corporate investment, not of slums or houses. By the end of the 1960s, according to Eugene Smolensky and J. Douglas Gomery, some 2500 localities in the United States had public housing--each of these localities being responsible for adminstering some 260

dwelling units. In thirty years, they conclude, the various public housing

authorities all together had built about half as many housing units as the

private residential construction industry built in a single good year.[21]

Value judgments are involved in deciding whether what happened was right

or wrong or desirable. Herbert J. Gans has concluded that the basic error

in urban renewal was, and remained, the fact that it was always a method

for eliminating the slums in order to 'renew' the city, rather than a program

for rehousing slum-dwellers properly.[22] The rebuilding which private

enterprise did accomplish was underpinned by income tax deductions to

homeowners and by Federal Housing Authority and Veterans Association mortgage

insurance--and by federal highway programs which made the suburbs possible.

Many observors would presumably argue that, since the political will and

public support for large-scale low cost public housing did not exist,

sufficient housing would not have been built in any event. And a revitalized

downtown business sector could be thought to be at least preferable to

deterioration (though presumably one could still argue that the subvention

from the taxpayer to the business corporations was too high).

But if one were to take the original legislation seriously then there is

at least a case for saying, from the housing point of view, that it is worth

considering NOT doing any more urban renewal. The federal government's

biggest housing program--some $10 billion a year--has remained the tax

subsidy benefiting mainly middle-and upper-income homeowners. As the authors

of the review of the 1974 budget proposals concluded, if Congress had been con-

fronted with a proposal for an expenditure program with identical effects, then

it is very doubtful if a single member of Congress would have supported such a

scheme.[23] At the same time, federal housing aid to the poor, through

low rent public housing and other programs, reached only a small number of low-income families and most of the poor got no assistance.

It was this situation which led to calls for a housing allowance program. This would take the form of some kind of "housing vouchers" with which individuals could "purchase" accommodation in the open market. But, as has been recognized, the idea of giving people housing vouchers, as favored by the Nixon administration at one point, was potentially merely inflationary. That is, if the total housing stock did not rise then what would happen would be that rents would rise and the individual poor person would be back to his previously disadvantaged purchasing position—and back in the slums. Again, this also obviously led people to support programs of massive rehabilitation rather than renewal. Here the foundering of the policy was due to both administrative and political problems. Political will was unsure of its aims. And there was not merely inefficient administration of the rehabilitation projects but corruption. HUD again became involved in another wave of investigations in various parts of the country into corrupt administration of rehabilitation projects.

At worst, rehabilitation has meant inadequate refurbishing of houses. As a result, the subsequent mortgage support for poor families ended in disaster. The individuals who had purchased the houses reneged on their mortgage payments both because of their own unstable financial situation and because the badly "rehabilitated" property began to decay around them. The end result was that these people had to move and so were an even greater burden on public assistance. Then, as a result, the federal government became involved in the prospect of buying back lapsed mortgages from financial institutions. At best, rehabilitation could work, with careful

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administration, adequate, cheap mortgages, and massive funding. But in the

long-run rehabilitation is only rehabilitation and presumably at some point

the houses would be better razed and the site cleared and rebuilt. But as

yet there still seems to be no widely accepted political will that this

clearing and rebuilding on any significant scale is a public service.

The crucial factors in this situation have been, of course, the

uniqueness of the United States in terms of land availability in relation

to population density, site values, and depreciation costs in relation to

tax liabilities. The United States has been the only country where it made

sense, politically, personally, and financially, to abandon houses and move

out. New building on undeveloped suburban land always made more sense, given

the physical and financial structure (and values) of the United States system.*

And this presumably continues to make sense in terms of current public values

and individual perceptions. If city centres have traditionally,

throughout America's history, acted as stops on the way to better housing

elsewhere, then why not let this process continue? Is it not morally wrong

to prevent people moving out to the suburbs if they can? Why should America

suddenly now insist on public housing, when this has never been the traditional

solution to any significant degree? The answer has been, of course, pain-

fully obvious. Less obviously, perhaps, is the conclusion that in this

sense, the civil rights legislation of the last ten years, and the leading

court cases, have, in fact, had a more realistic and important impact on "the

problem of the slums" than concepts such as urban renewal ever could or would

have. Anthony Downs has recently suggested that central cities take legal

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*This is to acknowledge, but not linger over, the problems of urban
sprawl and related difficulties.

action against surrounding suburbs that try to exclude minorities. Though

many of the suburban exclusion policies are based on ecological grounds, he

has suggested that these would not stand up in court if their effect was to

hinder integration.[24]

If civil rights legislation (even admitting the cost and length of time

of litigation) could be made to work effectively then there would be a

good reason for saying that it still made more sense to stick to traditional

American values and leave the central cities as way-stations while relying on

"continuous waves"--new building further out which releases houses for

relatively less well off people to move into--to provide the main burden of

meeting housing needs. As far as the evolution of policy is concerned, there

would be at least as good a reason for strengthening and expanding research

into the question of the behavior of the firm and into future developments in

the construction industry, for example, over both the immediate and long

term. Similarly, the movements of the credit and mortgage markets need to be

drawn more extensively into the discussion. A word of caution is, however,

necessary. Research is also needed into another area of economic activity,

and its underlying values. There has recently been a rapidly growing move-

ment toward the planning and building of 'total environment' housing sub-

divisions (they are not really New Towns) in which large financial corporations

have shown an increasing interest. These developments have incorporated

a wide range of facilities--shopping, leisure, etc.--and will tend to

greatly intensify, and further stratify and grade, existing middle-class

"ghettoization." Positive housing policies, whatever the economic or social

base, will be even more urgently needed if this exclusivity is not to become

total exclusion.

In the early 1970s the whole political and administrative debate about

HUD and urban renewal was compounded by the problem of financial cutback.

The financial situation of the cities, in which rising costs in relation

to the tax-base became critical, and the disappointment that general revenue

sharing did not pump large additional monies into areas of special need,

placed a virtual standstill on renewal or rehabilitation in many cities.

Mayors in big cities, in fact, seemed to assume that this would remain the case

until the 1976 elections brought new political fortunes and new policies.

Interestingly this was a view shared, though for very different reasons, by

Wall Street analysts who, early in 1974, expected that the total of new

housing starts by the construction industry would begin to take a dramatic

upturn in 1975-76.

One aspect of urban renewal and rehabilitation which has not been touched

upon is the as yet unimplemented aspect of revenue-sharing--special revenue

sharing--which in essence would roll up two or more categorical programs

into a block grant from the federal government to the states and localities

(the four broad policy areas suggested by the Nixon administration for this

treatment were, in 1971, education; law enforcement, manpower training--not

properly implemented as such in the 1974 legislation--and community development).

In the area of housing, the relevant special revenue sharing proposal

of the Nixon administration was the Better Communities Act. This would

remove urban renewal, model cities, and water and sewer grants from

categorical programs.

The examples of both the urban renewal and the work incentive (WIN)

programs illustrate the problem that the goals of policy--to reduce the numbers

on welfare and its cost, and to build low-cost housing for the poor--may

founder due to misunderstandings about the nature of the problem. Mis-
understandings, and subsequent muddle, has also arisen from an unwillingness
to _effectively_ encompass or counteract those underlying moral values which
have stood between problems and "rational" solutions. The criticisms of
"the undeserving poor," or the hostility to the housing of minorities in
suburban neighborhoods, could not be wished away. But more definitive leg-
islation, and substantial shifts in the level of funding from the states to
the federal level, would have helped. That these solutions in turn could
not always be 'rationally' sought, is dealt with below.

The Ambiguities of Administration

The work incentive and urban renewal programs were examples of situations
where the administration and implementation of policies seemed to be divergent
from original aims. This could have been due to bad policy, or to bad
data on which the policy was based (for example, the structure of the job market
or the public's resistance to large scale low-cost housing projects).[25] But
it has often been said (and conservative governments in both the United
States and Great Britain have been particularly prone to asserting) that the
gap between policy and product could mainly be laid to the door of bad ad-
ministration of programs are manifold: here the broad outlines of federal,
state, and local will be dealt with.

A. Federal

It is important to stress that the federal government and its agencies,
no less than the individual states, are responsible for marked differences in
policy implementation in different areas of the country. This is particularly

true in the broad sphere of services to the poor. As Martin David has

shown, differences at the state and local level in the operation of services

channelled through the Department of Health, Education and Welfare, (DHEW) occurred

as a result of federal ambiguity--particularly because of frequent changes

in programs and difficulties with federal budgetary changes and the process

of appropriations. The result has been, he argues, that a state had to cope

with indeterminacy. Indeterminacy, in turn, led to errors of commission and

of omission, both of which increased costs and bureaucratic confusion.[26]

Nor is this all. The same InterUniversity Study of the delivery of DHEW

services through the states and localities came to the conclusion that it was

impossible to show a rational (i.e., help in relation to need) allocation

of DHEW grants-in-aid to the states. These findings are worth emphasizing.

The allocation of 1971 grants per capita for health, education, and welfare

(including economic opportunity and manpower programs) could not be explained,

concluded Selma J. Mushkin and her colleagues, by: a state's per capita

income, nor by its percentage of poor, nor by its own revenue effort.[27]

There was no consistent pattern of distribution. Even in the case of aid

for social welfare expenditures, though there was a tendency for federal

aid to go to states where there was a larger percentage of poor families,

the statistical association between these factors was not a strong one. The

disparity between aid and need appeared to be greatest with regard to the

distribution of health grants: they went neither to areas where poor families

lived nor to poor states.[28] It will be suggested below that part of the

explanation for these variations may lie in another aspect of administrative

politics--successful grantsmanship.

Another source of administrative variation--and muddle--comes from

two other charges frequently leveled at central governments, both in the

United States and Great Britain. Both have been familiar accusations.

One was that central departments and agencies did not cooperate adequately

at the national level. Departments and agencies jealously guarded, it was said,

their own privileges and programs and so lacked knowledge of the work which

others were doing. The result was overlapping of effort, contradiction in

policy, and waste. The second criticism was that the difficulties of

coordination of national programs, and of cooperation among national depart-

ments, were reflected in the operation of services at state and local level.

For example, although there was a connection between the physical environment

of the cities--including housing, transportation and other facilities--and

the plight of the poor, the federal government kept these two concerns separate.

The former was supported by a network of ties through a federal department

(HUD) and the cities; the latter through a network of relationships between

DHEW and the States. It has been suggested by Mushkin and her colleagues

that now there may be more hope for future cooperation as a result of the

cooperative experience at the local level gained by HUD and DHEW in the model

cities program.[29]

The difficulties of cooperation, and of coordination of policies, at

the federal level, have been further compounded by another administrative

problem common to most political systems. This was the continuous process

of the change of location of administrative responsibility for different

programs. This has normally been thought of as an innovative process,

rather than one of muddle and indecision. Essentially it has meant that, as

new programs and policies have been developed, the responsibility for

administering them has been given to new agencies, or to elements within old
agencies. This has been done for a number of reasons--to cut through red tape
and get something implemented speedily, to bring together new skills and
people and use them in innovative ways, and to circumvent obstruction. The
history of the antipoverty programs in the 1960s was studied with well-
documented examples of all of these phenomena. The Office of Economic
Opportunity itself was just such an attempt at administrative innovation to
spur new policy and program direction; and the agencies and councils used in
Community Development and Model Cities projects, at the end of the decade,
were others.

Some of the new administrative forms, particularly where they invited
or resulted in a variety of participation by poor people and by minorities,
and threatened existing power structures, led to great controversy and reaction
(see below). This in turn led to further searches for new emphasis at the
national level. With the advent of the Nixon administration in 1969, there
was a trend at federal level to the Department of Labor when new programs
were being evolved or administration for existing ones reconsidered and
away from the Department of Health, Education, and Welfare. And the anti-poverty
programs themselves were gradually "spun off" to the old line agencies.
These changes have reflected both a concern with the political and adminis-
trative difficulties which had occurred at state, local and federal levels of
DHEW-linked programs, and the desire to re-emphasize the manpower and work-
training efforts rather than the "handouts" of welfare.

B. State

The states have varied not only in the methods they use to implement
policies but also in the extent to which they have taken up federal programs
and grants-in-aid and the rate at which they put the projects into operation.

They have also varied in the extent to which they have obeyed federal

rules and standards. There have been similar variations in the ways in

which the states and localities exercised control over the "details" of

administration of the various programs, so that implementation varied

considerably from place to place. Finally, there were considerable, and

some would argue decisive, variations in the administration of programs as

a result of professional discretion exercised by administrators, and by

professional social workers, in handling the actual benefits which the poor

received.

Differences among the states come about in a number of ways. If a state

adopts a program then the federal government provided funds and, theoretically,

set guidelines and—to a greater or lesser degree—monitored performance.

There are several difficulties here. To begin with, as Gilbert Y. Steiner

has pointed out, it is expensive, but not impossible, for a state to "go it

alone".[30] States have differed considerably in their willingness to

take part in different programs and though this does not mean that states did

try to go it alone completely, it did mean that they exerted considerable

influence on what was actually done. Matthew Holden Jr. has shown how the

states have achieved this desired (from their point of view) variation from

the standards laid down. Each state had to prepare and submit to the secretary

of DHEW a plan showing how and for what purposes it would expend federal

funds under the different categorical assistance programs. But the states

had a wide latitude in spite of the implied threat in the federal overview of

policy that, unless standards are adhered to, then the states would find that

funds were denied them. DHEW was both unable to monitor state welfare

bureaucracies or control what they did.[31]

This situation arose from two factors. One was that federal officials believed that persuasion was better, and more practical, than attempts at coercion. Results depended in the end on the active cooperation of state officials and it was obviously easier to try to persuade than to coerce if results were to be achieved. The second reason why federal officials behaved in this way was because of the independent access which state officials had to federal government and to Congress. In fact the state welfare bureaucracies, with their friends in Congress and in the Executive Office of the President were, says Joel E. Handler, more powerful than DHEW.[32]

There were a number of ways in which the state could hold down the level of expenditure on public assistance programs. Few states actually passed laws to hold down the level of benefits but achieved this through fiscal measures instead.[33] For example, although the 1967 Congressional Amendments to the welfare program required the states to upgrade their standards to reflect the increases in the cost of living, this did not necessarily result in the states paying more. They did upgrade their standards--but they lowered their actual payments from, for example, a level where they paid 80 percent of the estimated standard of need to 75 percent of need. Actual payments then reamined where they were--or in some cases, were even reduced. Another method of holding down expenditure was by making 'closed-end' appropriations. In this way, the states limited the total sum which it was willing to spend on the program. This then meant that the state could limit what was actually spent while at the same time claiming that it was supporting the basic or required standards.

From the point of view of the states, these actions had a number of desirable results. One was that they reduced the number of people who received benefits, since the sum appropriated was a set amount. This in turn achieved several desirable objectives: politically, it satisfied conservatives,

both legislators and voters, by holding down what had been ever-rising

expenditures and the number of welfare recipients. It could, at the same

time, be claimed by the state that it was complying with federal demands

and standards (or at least could not be said to be NOT complying). Finally,

a state could claim that it would do more--but it did not have the money. It

too was poor and needed assistance: if the federal government insisted

on cost of living rises or higher standards then it should have provided the

states with money, especially in a period of inflation and the perennial

problems of the property tax base.

Thus although DHEW after 1967 required states to increase their standards

this did not necessarily happen. States could and did react by redefining

eligibility and not by increasing payments. This was a classic case of

delegation to avoid responsibility which has been described by Irene Lurie,

Joel Handler, and others. That is, when decisions were politically difficult and

potentially controversial then top-level decisionmakers in Congress and in

the department (in this case DHEW) delegated authority (in this case to the

states) as the principle technique for avoiding the political risks of re-

solving conflict.[34] Although Congress wanted to increase standards in 1967

to reflect rising costs, it was not willing to be seen to be "putting up the

costs of welfare" so it in fact decentralized its authority for making welfare

policy to the states and from the states in practice to the local agencies.

Furthermore, the broad grants of discretion in handing out benefits of

various kinds to the poor which were given to administrators, Richard A. Cloward

and Richard M. Elman claim, were due to the lack of consensus at the legislative

level concerning concepts of social welfare.[35] Cloward and Elman argued

further that the language of the statutes of welfare legislation were purposely

vague since greater definition would have revealed more sharply the differences between contending political groups and this could then have led to the impossibility of passing any legislation at all. This then meant that the struggle for welfare passed from the legislative to the administrative sphere: and here the unorganized and powerless poor lost out to the well-organized business, civic, professional, and other groups who sought to set the parameters of what administrators could do.[36]

The experience of poor people on the receiving end of welfare programs also depended on variations due to administrative and professional caseworker discretion. States in practice gave caseworkers, who dealt with clients in a face-to-face situation, great discretion over the level of benefits received. For example, W. Joseph Heffernan has shown how the discretion of caseworkers over the kind and amount of benefit which a client received resulted in large variations in the average, and hence the marginal, negative tax rates which different welfare clients faced. Though federal statute laid down what the tax rate should be--i.e., what money a client could in fact keep before his welfare payments were reduced and thus what 'tax' he paid on the money he received--there were still large variations from the norm in practice.[37] Heffernan shows that this was done through the caseworkers discretion in fact to vary how need was defined: 'By varying the definition of income or need, or work expenses, the effective marginal rates applied to the recipients' earnings are altered.[38]

Administrative discretion was, in theory, lessened by DHEW policy changes in the late 1960s. DHEW encouraged the states to make three changes in the administration of welfare programs. First, they could separate money payments from social services for clients (and some states, but not all, did so).

Second, the states were given the option of determining AFDC eligibility
by requiring the recipient to fill out a form rather like a tax form when
applying for aid. This individual application was an alternative to the
lengthy caseworker assessment (which was accompanied by, in some cases,
punative checking procedures of the clients' needs--and worthiness). The
amount of spot checking on the 'form' method varied. By the end of 1971
41 states used this method to some degree. Finally, DHEW requires
states to operate a 'quality control' system to check errors in payment to
clients (in fact wilful fraud by clients appears to be a relatively small
source of error).

But by the end of the 1960s, changes in how welfare was administered
were not solely the result of changes within DHEW. The Supreme Court, as
Lurie has documented, also activated changes by eliminating the substitute
father rule, the residence requirement and the 'man assuming the role of spouse'
rule. But the changes consequent on Supreme Court decisions were not socially
or politically neutral. Inevitably, what happened reflected the composition
of the court itself. For example, in the period 1968-70 court decisions
required fair hearings for people whose benefits were to be reduced or
terminated. But between 1970-72, as the composition of the court changed, so
did its judgments (and the administrative and political consequences). For
example, a maximum payment was ruled to be an acceptable method of limiting
payments; home visits by caseworkers were not considered to be an invasion of
personal privacy; and the use of a reduced standard was considered appropriate.[39]

C. Cities

Local governments, like the states, have been attacked as ineffective
both in implementing policy set down by national government and in cooperating

effectively with other public and private local agencies to produce new or
expanded programs. The fragmentation of local jurisdictions, it has often
been noted, made the implementation of policy complex. It also required
the consultation of many different interests, however difficult and complicated
this was for attempts at coordination. The problems of implementation
reflected the underlying structure of politics which remained pluralistic and
which had little or no legitimacy for ultimate authority in the coercive,
directing sense. Again, if this has been the dominant value then it would
seem to make little sense to lament the fact that, in this interest group
bargaining structure, those who found it difficult to organize and who lacked
bargaining power could not fully share in the decisionmaking process on
equal terms. Policy for the poor which depended on reversing this situation--
community action or decentralization--may have made some important gains
(including increasing awareness and politicization and increased pressure on
city halls) but it did not achieve permanent policy reorientations by it-
self. The hopes now are that such reorientations will come about through stronger
and more universalistic programs based on tax and fiscal reforms.

At local level, attempts at decentralization and other administrative
innovation (see above), particularly where they invited or resulted in a variety
of participation by poor people and minorities, led to confrontations
between different parts of a city's administration and the new groups and
local agencies. In the 1970s this was to lead to deliberate moves by the Nixon
administration to insist on changes in the locus of administrative responsi-
bility. But the attempts to create new administrative forms in the 1960s,
particularly those which tried to cut through the fragmentation of local services
in order to set up coalitions of social reformers, was not itself new.

It has always been an old trick of local--and national--politics to
try to set up new administrative forms which would be outside executive control
and outside the electoral mandate. In the sphere of poverty programs, this
was perhaps more than essential. Local chief executives were suspicious
of such alternatives (from their point of view, a well-founded fear since it
did stir up problems which mayors would rather have done without). And removal
from electoral control in some respects was also at times essential, since a
popular mandate for certain programs was never strong. What happened to local
administrative and political innovation, and who won out, is well-known. In
the War on Poverty and Model Cities programs it was quite clearly demonstrated
that the new administrative forms, set up to bypass or circumvent parts of the
local political power system, lost out in the end to the severe reaction from
the existing power structure. But by the 1970s the innovations had begun to
disappear for other reasons than the reaction of local power structures, since
changes were reflecting new directions in both the new administration and
in the Supreme Court (see above).

Municipal governments, like the states, have also been castigated for
their internal administrative defects: outdated civil service procedures
and criteria; fragmented planning; lack of coordination among different
agencies; inadequate monitoring or programs and services; and inadequate
fiscal and political accountability. What this has led to, it has been
suggested, was a "crisis" style of management which responded to the immediate
and most pressing problems but could neither look forward adequately to the
future nor assess what current services were achieving. One critic has argued
that the result of this "crisis management" and of the fragmentation of local
politics which underlay and accompanied it, was that: " 'city hall' tends
to denote a place but not an administrative or political entity".[40]

Other critics, like Theodore J. Lowi, have argued that cities are now
well-run but badly governed.[41] In the city, there might be highly
technocratic (and managerically) sophisticated islands of functional power
but there was no centralized political power to pull them into one coherent
whole, nor so legitimated authority to direct what they did. The form of
modern city government was thus not a part of federalism as generally
understood but, as Mushkin has said, a form of "functional federalism" in
which there were autocracies of agency power based on relations between
federal, state and local agenices.[42] As a result of criticisms of this
kind, of defects in cities and bureaucracies, the President's Commission on
Income Maintenance Programs was able to argue, in 1969, that income maintenance
must be preferable to a system whereby local option arrangements had con-
sistently thwarted efforts at national welfare reform because the federal
agencies, with their separate autocratic power, had simply not been able to
develop uniform practices and procedures.[43]

What Is to Be Done?

What then, would be a better political and administrative approach? In
an ideal world one might agree with those commentators who have seen the
Veterans Administration as the "best" form of administrative system. From
this point of view federalization, for example the standardization of the form
of services to veterans, is seen as preferable to federalism, whether old or
new style. In the words of Gilbert Y. Steiner, "Whatever the case for
decentralization of other governmental activity, both experience and political
sentiment support centralization of the welfare function.[44]

In the past the Veterans Administration could have been seen as an Ideal
Type for the reform of welfare administration. First, it had a definite policy,

clear aims, and was founded on relatively unambiguous legislation. Second, it

dealt with an unambiguous—and morally worthy and non-contentious—clientele.

Third, it dealt with what appeared to be the basic requirements of a

Beveridge-type set of tools against want. That is, besides pensions, it

provided hospital and medical care, help with education, and help with

(finance for) housing. The Beveridge Report, published in England

in 1942, had set out the main parameters for the eventual comprehensive national

insurance scheme of Britain's post war "Welfare State" (partial schemes,

including limited health care, had existed since 1911). The Beveridge plan

was predicted, as is well-known, on the assumed basic goal of full employment.[45]

But the scheme was also based on assumptions that it would not alleviate the basic

problem of poverty—lack of money income due to old-age, unemployment, or

sickness—unless other programs were provided to give comprehensive coverage

in the fields of education, health care, and housing. These program needs were

in turn based on the great social inquiries of the previous 40 years.

These had demonstrated that poverty was not due to the fecklessness or

individual moral worth of the poor person but to a combination of economic

and social factors among which low wages, sickness or unemployment of the head

of the household, and general health problems, predominated. All these

difficulties were in turn exacerbated by bad housing and inadequate skills

due to limited education.

In the United States it has sometimes been argued that the Veterans

Administration came closest to meeting a set of related needs of this kind.

In terms of the ability to provide comprehensively for the problem of need,

a more suitable administrative form was to be found, it was said, in the

veterans example. But, in fact, the reason that it worked was moral and political,

not administrative. It was political and social acceptability, rather than

good administration, which made it work. The moral acceptability of helping

this particular clientele was universally shared. There was no need for a punative element in the program based on an assumed unwillingness of veterans to adhere to a work ethic. And there was a relative lack of variations, muddle, and noncoordination which needed constant revision of policy or redirections of effort.*

The distinction between Veterans Administration and other welfare provisions is, I would argue, the result of social norms and values. Handler's point is important here. Administration, he has said, reflects the behavioral controls which society prescribes. When the beneficiaries are the "deserving poor," society feels little need to control them and administration is routine and federalized. But society up to now has believed that it did have to control the "undeserving poor". And the administration of services for the undeserving poor remained, therefore, highly discretionary--and were left to the states and localities to administer.[46] The undeserving poor were seen as socially deviant; and controlling deviant behavior has historically been a state and local function. And this, says Handler, was what Congress was happy to do, since Congress was never enthusiastic about making explicit policy decisions on substantive issues of welfare--that is, on how the undeserving poor were actually to be treated. Handler goes on to argue that in fact welfare should be federalized because of the inequities of state variation. But so far this has not happened. While Social Security has been routinized and federalized, with clear-cut categories, tax-related benefits and universalistic provisions, AFDC has been at the other extreme. It has been state and local run, it has had unclear eligibility, it has relied on administration which was discretionary, was financed out of general revenues, and

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* I recognize that the Vietnam war and its aftermath brought new problems and vocal criticism; but here I am concerned only with the Ideal Type of federalization as this has been viewed by commentators themselves.

was typified by that delegation from one level of government to another
which reinforced variations. (In addition, the "working poor," who in
fact make up a large part of the poverty problem, had virtually no help at
all. See below.) Thus the problems of administrative ambiguity or muddle
have essentially been problems of political ambiguity. And this political
ambiguity, with its administrative inefficiencies, may have been (and still
is?) functionally necessary to a political system in which norms and values
still strongly denigrate public support for the undeserving poor. Without
ambiguity and muddle, the backlash might have deprived the poor still further.

Ambiguities within the Political System--A Functional Necessity

The problems have been, it is suggested, political rather than purely
administrative, though conservative governments may still hope that managerial
innovations and improvements will make significant contributions.[47] This
can be illustrated by considering some recent comparisons of the United
States, the United Kingdom, and Sweden, in Martin Rein and H. Hugh Heclo's
article "What Welfare Crisis".[48]

In England, problems of welfare--both in terms of the numbers of the
poor and the means of alleviating poverty--continue to be serious, in spite
of the "coming of the Welfare State" which aimed to make poverty a <u>residual</u>
category while providing adequate social services[*] for everyone, universa-
listically treated.

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[*]As this term is used in the English sense, i.e. to mean substantive
national programs of health care, welfare for the elderly, blind and disabled,
and national insurance old-age and disability pensions (Social Security).
Mental health and incapacity are also included, as is additional money (the
old public assistance) for those, including female-headed families, who have
no other forms of support (since August 1971 this has been implemented through
a Family Income Supplement, FIS, scheme, which also includes employed poor
families with low wages. Cf John Stacpoole: "Running Family Income Supplement,"
<u>New Society</u>, Vol. 22 no. 485, January 13, 1972).

In England, the hoped-for "breaking up of the poor law" and the treatment of poverty as a residual category rather than as a prime element of social policy depended, as has been said, on the national insurance system and related services. This was based on the assumption that future governments would be pledged to a policy of full employment. And this essentially assumed that the need for policy to pursue welfare solutions in the old sense would no longer be needed. Instead, what was needed was an employment policy, supported by an adequate, universalistically applied, set of health and housing programs. Other policies were designed to meet what were thought to be residual emergencies—acute illness, disability, and short-term unemployment. But the main thrust was the national insurance scheme which would provide for one large proportion of the chronic poor—the elderly—while universalistic child allowances (vouchers paid directly to mothers and cashable through a wide network of post offices)—would meet the needs of the other substantial group in poverty.

What then has happened? The problem has been, of course, not merely a revolution of rising expectations, nor yet that a policy of full employment was in fact paralleled by a long term general inflation rate of some 2 percent-3 percent per annum (experienced by the rest of Europe also). The system had in fact to face a fundamentally changing demographic pattern which inflation exacerbated—people lived longer and there were increasing numbers of old people to be supported by the same, or smaller, proportion of adult working population. Instead of the main burden being residual poverty due to those with short-term illness or temporary unemployment, it was low wages plus the size of poor families, and the burden of old-age, which formed the core problems of poverty. In addition, the numbers of chronically ill and disabled in need

of support (of course, ironically, due to the provision of better medical treatment) became a small but worrying category.

By the 1960s, by far the majority of poor people in Great Britain (as in the United States) were the elderly and children. In the United States also, these categories predominated, but 70 percent of the non aged poor were working poor.[49] And 60 percent of these non aged poor were in families of six or more people. All of these findings reflect that it is the economic and social structure of society, and their political expression, which are the basic problems, not the undeserving nature of the poor. Both societies, however, continue to contain numbers of people, both legislators and others, who castigate the "cheaters," and the marginal welfare recipient on the border between low wages and welfare benefits, as the heart of the matter.

In the United States, although there has been, as Rein and Heclo show, a lengthy debate on the size and nature of the welfare crisis, the situation is not, in comparative terms, unique. The numbers of those receiving cash relief benefits (those "on welfare") is not only very similar in the United States, Great Britain, and Sweden, (some 7 percent in 1971, with Great Britain a little higher at 8.4 percent in 1972 when reforms provided more help for the aged) but also grew at a very similar rate in the period 1950 to 1970, from about 4.0 percent in the former year to 7-8 percent in the latter. But only in the United States was this seen as a crisis. In Great Britain, over half the people who receive cash relief payments are the elderly who cannot exist on the regular old-age pension which comes from national insurance (Social Security). But in Great Britain the increase in welfare over this twenty-year period has been seen mainly in political and social terms, not moral ones. That so many old people cannot live on the existing pension level is perceived as a social disgrace and a source of political debate. In the

United States by contrast the rise in welfare, as Rein and Heclo have

said, is seen rather "as a new menace threatening family structure and

incentives to work".[50]

There is evidence here, however, of more than differing philosophies

among western countries. There is also evidence of differences between

Europe and the United States of the political results of the ways in which

the schemes are administered. In the United States, administrators count

the number of those individuals receiving welfare rather than family units.

This has exaggerated both the proportion of single-parent families as a part

of all those on welfare, and has also exaggerated, therefore, the assumed

increasing breakdown of families. Rein and Heclo also conclude that the

sense of welfare crisis is intimately found up with questions of race and the

image of abandoned black mothers.[51] In fact, nonwhite abandoned mothers were 30

percent of all AFDC families in 1960, 35 percent in 1967, and between 35 percent

and 36 percent in 1969 and 1971. In the same period in Great Britain, the

proportion of welfare clientele who were in one-parent families doubled

from 8 percent to 16 percent but this is no evidence that the numbers

of single parents in the population as a whole is rising: the explanation

being that there is probably an increasing tendency to form separate

households (and thus ask for public support--and thus get counted as

such) and to take up welfare benefits instead of forming a part of the

original (i.e., grandparents') household.

As a result of the demographic profile of poor families, however, and

the views about them held by many, if not most, Americans, the need to help

the economic and social distress of the poor must compete with the other

aims held to be legitimate--work incentives and reduced costs. There is, as

yet, no final political resolution of the difficult question of what is a just

policy. In practical terms, Rein and Heclo believe that: "Rather than
hiding, or extending, or rehabilitating, or computerizing its categories of
paupers, American welfare should strive to become a general residual facility
available to any distressed citizen, and it should be interrelated with
other forms of social support such as social security, retraining grants,
housing assistance, health insurance, and effective enforcement of maintenance
obligations toward the child".[52] This was also the aim, as has been
described, of the "breaking up of the Poor Law" in England: that pauperism
should be provided for through a national policy of income, health, and
housing support with emergency cash payments a residual category.

In fairness, what has happened in the American system should not perhaps
be called muddle but rather changes in goals, and therefore in the means used
to achieve those goals, in the light of experience and against a background
of considerable resistance to change. And that "experience" included the fact
that, as welfare rolls grew, the money expended on relief also grew and
Congress, and the public, became alarmed at the apparent crisis. Their
impatience, however, was with what they believed to be inefficient
administration--which conveniently could put the blame elsewhere and not on
Congress' original policy--or on the growing number of alleged cheaters or
workshy, undeserving poor. Congress' impatience and the blame it laid on
the existing welfare programs has not, as yet, led it to work towards altering
its basic policy by agreeing on a form of Family Assistance Plan--though
this may come. Although the House of Representatives passed the FAP in
1970 and 1971, the Senate Finance Committee refused passage and the end result
was legislative changes in the administration and the rules, through the
Talmadge Amendments of December 1974.

The political difficulties lie in the structure of American politics as well as in policy formulation and values. The underlying structure of American federalism, with its multiple centers of decisionmaking, has inevitably been both flexible—and conservative. Decisions might or might not be raised and problems might or might not become political issues in the pluralistic, interest-group bargaining arena. The results are familiar. Because of the way in which policy was formulated in this interest-group world, programs for the poor were fragmented. The government, in effect, produced a mosaic of individual responses to individual problems as they emerged. But this mosaic of individual responses rather than something which could be seen as a coherent program was not only typical of how policy was formulated, it was typical of how such policy was sustained. Congress, and the administration, vitiates much sustained effort by annual funding of programs and uncertainties of fiscal budgeting and appropriations.

The problems of the timing and methods of federal funding are too complex to be dealt with here in detail. It must be stressed, however, that much of the difficulties originated in delays in congressional appropriations, or in the discretionary powers of federal officials, or in the federal review processes. As Mushkin and others have concluded with regard to DHEW, the sorry sequence of delays and uncertainties now call for more multi-year funding to ensure better planning and more efficient continuation of programs.[53]

Federal fiscal policy, and annual appropriations, currently produce an annual circus of planning, formulating, and lobbying at the local level. Instead of running projects, many administrators spend a great deal of time evolving program requests for the next round of funding while waiting

anxiously for the outcome. This constant annual re-evaluation, the result

of Congress' doubts about what policy towards these problems should be and

their doubts about whether their stated goals are being met, did nothing to

rationalize the duplication and multiplicity of grant-aiding sources. If

anything, it made it worse. Mosaic responses to problems, and annual funding,

made for a form of administrative politics commonly referred to as grantsman-

ship. Just as groups competed in the political arena to press their

interests and get goods and services, so too the administrators competed for

funds for their programs. The art of modern management in the localities,

in fact, then turned out to be the ancient art of politics. The really able

administrators were those who could see what were the funds available for

different programs, organize them coherently to meet local needs, and

successfully bargain with federal officials to make the grants come their

way. This entreprenurial activity was still the greatest and most effective

skill which a modern administrator needed, not PPBS or computer analysis or

management consultant advice. This also had a great effect on program

variations between localities: successful and expanding programs were those

in areas where grantsmanship expertise flourished. In general this tended

to be the larger cities with more highly qualified staffs.

The ambiguities of political goals, and the substitution of muddling

through and grantsmanship for definitive policy, has been grounded in the

traditions of the political system itself. Within the United States' liberal

tradition, planning has been disfavored. Most decision-making was, therefore,

partisan mutual adjustment. Policy was determined incrementally through the

bargaining of interest-group politics--and its inequalities. This, the

Fainsteins believe, reduced the role of government to that of umpire. Further-

more, they suggest, that even where the government did offer solutions, it
did so on the proviso that its solutions must compete with those offered
by private decision-makers.[54] David Braybrooke and Charles E. Lindblom
go further: incremental policy determined through interest-group bargaining
could result in nondecisions, in what they term "disjointed incrementalism".
By this they mean that no-one might actively take a clear-cut decision as
such; policy choices may just 'happen' and once certain steps have been taken
towards a decision then this sequence of events will take on a momentum
of its own.[55]

The problem of interest-group adjustment as the equivalent of 'policy'
has been compounded by the fact that in the United States it has been
very difficult to organize the poor on the basis of their poverty or their
social class in the occupational heirarchy. Historically, polarization has
been along ethnic and religious lines. The result has been that, in the 1960s,
'citizen participation' inadvertently became as Rein puts it, a program for
organizing the Negro community.[56] The result has been to make it even
harder for the supposed market-place of interest-group bargaining to
produce legitimate universalistic policy in the poverty field.

Even so, President Johnson's "creative federalism," by which politics
were to help the poor by including them in the bargaining process of pluralism,
reasserted a faith in the power of organized group life. But in essence
this was not a policy but a reaffirmation that the poor must try to influence
policy-making through the old paths. As Lowi claims, the end result was
just as likely to be that poverty was not reduced but that government-citizen
relations were stabilized into the status quo, since the system legitimized
the participation of the poor as yet another group in the pluralistic market

place. Lowi goes so far as to argue that the end result of the pluralistic
bargaining system was that under it governments could not plan a coherent
policy for the poor since planning required the authoritative use of
authority.[57]

The normal answer to this kind of criticism has been that this is what
federalism is all about: the conflicts and differences which existed on
the North American continent were what resulted in the federal system
in the first place and there has been no evidence to suggest that conflict
and profound differences have disappeared. More than this, if the culture
of the society has not involved a prime emphasis on social justice but
rather a belief in social opportunity based on a complex of liberal and
individualistic values, then it is as yet fruitless as well as unrealistic to
assume that centralized, authoritative policy planning will emerge. These
arguments are equally valid at the local level. Local fragmentation has
resulted in separate officials (formerly the elected officials but increasingly
the technocrats) over which there has been no centralized control by the
mayor's office or the elected council, and thus no firm grip on the making
or implementation of policy.

In the field of welfare, the authority for a single person to act as an
Anti-Poverty Czar has not existed--and could not be assembled--and the major
force of pluralistic politics continued to be, as before, the veto power which
existed, from whatever source. Where policy has been distinctively state
and local, and discretionary, then the crucial element of politics must
be that of the veto. In a pluralistic system what is achieved is not
necessarily the result of the coalition of interests brought together to do
something or to change things, but crucially it has been the outcome of who

has said 'no'--and how effectively. This has always been, of course, an element of any political system;[58] but the very structure of American local decision-making has made it very difficult and costly to assemble coalitions--but very easy to veto.

In sum, political conflict, and the underlying social divisions which this has reflected, was the true synonym for what has happened to policy-making in the field of welfare, not 'muddle.' What has looked like muddle over the aims of welfare, over the means of welfare implementation, and over the locus of responsibility, has been necessary ambiguity derived from basic political conflict. And this remains the case. For example, conflict has continued over the aims of welfare, where evidence suggests that poverty has continued to be generally viewed as deviant behavior which must be regulated, while liberal legislators and others have not viewed the problem in these terms. But until the current welfare poor achieve "deserving" status, and as a result programs can be relatively free of restrictive conditions and routinely administered by the federal government in the way that the Social Security provisions are, then conflict and ambiguity will continue. For the same reasons, program administration will continue to be less than perfect, state and local run, and inequitable. The locus of responsibility will continue to be ambiguous, with overlapping projects and a lack of coordination among agencies, as long as this muddle obviates the lack of political will to produce a central federalized policy.

Ambiguity and the Future "Federalization" of Welfare

To solve some of these difficulties, critics have called for a
strengthened system of policy making, better staff work, more constitutional
powers for chief executives, greater authority for the mayor, and so on.
A "block grant" form of federal funding has been seen as essential. It
has been said that state and local governments should be encouraged—or
compelled—to plan in a more comprehensive way, to put programs together
into packages and to order priorities. Councils of Government, and
regional planning and review in general, have not as yet, however, offered
great hope in this sphere. Essentially, much review and planning at the
state and substate regional level has largely been a compilation or list-making
exercise. But more fruitful cooperation is expected to evolve as this
activity increases, and becomes more generalized. There is still, however,
the central question of power and authority. Most of these voluntary
cooperative efforts have lacked authoritative power to make priorities or
authoritiative means to compel priorities in execution. Thus they have not
made policy nor set priorities.

Similarly, the related calls for strengthened regional offices of federal
agencies, to review, monitor, and compel adherence to rules and standards
have so far given little cause for immediate hope of dramatic changes. Again,
the reasons have been not just administrative but political: as was said
earlier, if Congress, in its unwillingness to set firm policy, in effect
has delegated this to the state discretionary level then political realities
in the form of the power of different interests and groups must have more
influence than federal surveillance. Simply put, federal agencies have not
found ways to make their standards stick in the face of state variations.

It would seem that, currently, the practice of the past few years has much to recommend it. As Handler has put it: "Until the day for generous treatment of the poor is at hand, I believe the strategic retreat would be to keep welfare administration complex, working at cross-purposes, and starved for staff".[59] That seems to be a very good definition of muddling through—political reality and necessity may mean that less than explicit and less than perfect solutions are the only ways in which, for the time being, policy can be carried out at all. Professional experts and legislators are, of course, working at the same time to achieve more coherent national policy and to implement a means of federal support which would reduce—though not necessarily remove—the amount of ambiguity which is currently functional to welfare.

This is not, of course, an argument that all ambiguity and inefficiency can be tolerated as functional to the provision of those services where aims are the subject of conflict and the right of the poor to services a matter of dispute. Conflict and ambiguity can be fruitful and are still an important element of the American federal system. But it can still be argued, particularly in the welfare fields which involve DHEW with state and local programs, tensions can be severely counterproductive in designing cooperative solutions to problems.[60] Similarly, the calls for clearer and less ambiguous funding, budgetary, and review requirements, and for better timing of federal fiscal and appropriations procedure to reduce the ineffective 'stop-go' aspects of programming, are pertinent and realizable goals.[61]

In the recent past the functional aspects of ambiguity have been due to the fact that, as Cloward and Elman demonstrate, the dominant belief was still that purely monetary support of low-income families was both unscientific

and morally reprehensible: "Merely to provide money so that all may start from a minimum standard of living affronts our belief in individualism and our faith in the efficacy of professional interventions to which all social problems can finally be made to yield".[62]

Relief reform has therefore been work-enforcing reform. The alternative is, say Frances Fox Piven and Richard A. Cloward, a policy of economic reform which operates on the basis that if the economy is working at full employment level and real wages paid to workers rise, then the real value of payments to welfare recipients also rises. Full employment and rising wages in turn reduce the need to make the poor work by more coercive methods.[63] Equally crucial, so Piven and Cloward assert, this kind of economic stability leads to familial and community stability in which fathers, able to retain a status of bread winner for their families, do work even though wages are low and families are still relatively close to the poverty line. This certainly has been the European experience. What is remarkable from the postwar European experience is that family and community cohesiveness does operate effectively with relatively low wages (with the additional support of health care and other supporting services) and there is little real evidence of workshyness. Recent evidence has suggested that there are similar links between economic stability and security and family structure (particularly when comparing white and nonwhite families) in the United States.[64]

The functional necessity of ambiguity, of muddling through, has been essential in the recent past in order to allow programs of poor relief to be implemented and expanded in an atmosphere of potentially threatening values.

It can be argued that this is now a thing of the past, that income support
is now sufficiently acceptable to allow federalization of welfare, the
"breaking up of the poor law", and so make poverty a residual category of
universalistic benefits. It is necessary, therefore, to consider the
current fiscal and other provisions on the eve of a further attempt, in the
spring of 1974, to begin anew the legislative process toward income support.
Any such process, it could be argued, will still require some adjustment to
the taxation system, which is currently regressive. The "natural" growth
of the GNP, and the $8-$9 billion dollar annual growth which accrues without
the need to levy additional taxes could, quite simply, be paid over to the
poor in a national scheme of income support payments. But this is unlikely
to occur, given competing claims for such "surplus" revenue and the intermittent
calls for tax-level reductions. Nor is it likely that massive shifts in
tax incidence are likely. Currently, the tax system remains regressive,
with little or no redistribution in it.

The increased money for the poor contained in the fiscal 1975 budget
(an increase of $15 billion over 1974 on 'income security') is mainly due to
rises in Old Age and Survivors Insurance (Social Security) benefits. And
this rise, in turn, is paid for by a regressive payroll tax. Some 45 percent of
domestic spending, in fact, now goes to cash transfers, most of it in Social
Security benefits and other programs for the aged and disabled (not counting
military retirement pay).[65] These social security payments go largely to
people with low incomes and the effect is to make for a somewhat more equal
distribution of income than there would otherwise be. But the federal tax
system has little effect on the distribution of income, since the most
important federal taxes—the moderately progressive individual income tax

and the regressive payroll tax--largely cancel each other out. The

regressivity of the total tax system is well-known. In the Southern

States (where nearly half of the poor live) sales taxes are higher, and

thus bear more harshly upon those with the lowest income. In Southern

cities the sales, income, and property taxes combined take some 12.3 percent of

the income of families living on $2000 a year but 5.9 percent of those with

$25,000-plus annual income.[66]

The original plans for a negative income tax known as the Family

Assistance Plan were propounded by the Nixon Administration in the fall of

1969; by the end of 1972 they were dead. But a step in the "federalization"

of payments to the poor was taken when, on January 1, 1974, the Supplemental

Security program transferred aid to the blind, aged, and disabled from a

variety of state and local programs to the federal government and set

minimum annual payments. New proposals for a guaranteed income--what the

Nixon Administration refers to as "income security," will be put forward

in the late spring of 1974. The main core of the opposition, as with earlier

proposals, is likely to come from those holding the strong belief that the poor

are morally undeserving and that, unless the help given to them is closely

supervised they will, in their shiftless fashion, only waste it.

The new proposals are likely, as before, to help both employed and

unemployed low-income families. The aim is to allow the recipients to

retain some share of their work earnings as an incentive for continued work.

The program is a 'federalized' one since it would set national payment

standards. It is expected that legislation along these lines would mean that

some 50 percent of the proposed expenditure would go to southern states. This

poses, as Mushkin and her colleagues have already pointed out, some interesting

questions. What impact would these increased income support payments have on migration? What would be the response of those states whose payments were above the national level? Would the national level of payments make adjustment for differential cost of living in different areas and for differential rural-urban wage rates?[67] All this implies that a national policy must necessarily still involve state variation—if only in that some states, given their current levels of spending, might find it politically difficult to cut back their present levels of assistance to the (expected) national, i.e. minimum, level. Other states might also respond, as they did to the "welfare crisis" of the early 1970s, by reducing any additional public assistance programs and their benefit levels.

Room for administrative discretion, it would seem, is still likely to be present. There is also the point made by Mushkin and her colleagues that the general "federalization" of money payments and the withdrawal of the national government from direct involvement in service provision or service supervision may lead to deterioration of the service, not to its competent take-over by the states. Any proposal which gave the national government responsibility for income maintenance and the States responsibility for other supportive services (such as day-care) is likely to result in ineffective service from the evidence of recent enquiries.[68]

There are still large questions over the form which such a tax-credit system might take, and how money for it would be raised (given the regressive nature of the tax system and the doubts set out above) and how it would be administered in practice. The United States' interest shown in parallel efforts in England may be somewhat misleading to the argument, because of the different operation of the tax system in the two countries. In 1972 the

then Conservative government announced a tax-credit (income security or "negative income tax") system as part of a fundamental overhaul of the incidence and operation of the whole tax system. As a result the earliest that such a program could be introduced would be 1977, i.e., some five years after the program was announced. Critics have argued that, in spite of certain advantages which would undoubtedly accrue to some groups, it would still be more effective, for the poor as a whole—since as always these were preponderantly the elderly and children—to increase specific cash payments per se, i.e., old-age pensions and child allowances.[69] [Child allowances in the form of direct cash payments (in England with a "claw-back" tax debiting system which recoups money from middle-class families which does not "need" such additional direct allowances) are still an important part of many European welfare support programs. Their absence as such, and the relatively minor part they play in the debate on income support programs in the United States, is still a matter of remark.]

On the lines of these arguments the critics are saying that it is still necessary to argue the case for giving the poor money (as well as, presumably, continuing the debate on redistribution in the system). The conclusion would seem to be that, if some form of federal income security program will be enacted before too long, then there are three crucial factors to be considered. These are: the level of funding and the amounts paid (and the work-incentive element and thus the marginal tax rates); the divorce of federal income support from state-provided services to clients; and the subsequent need for additional public assistance beyond the national minima. The last point is crucial. Most observors believe that minimum standards will still leave room—or need—for additional support, whether in

cash or in kind. Doubts also remain as to whether there has been a radical shift in attitudes towards the poor and the morality of giving them direct monetary support. The functional necessity for ambiguity, for "muddling through," may be a thing of the past, but it is too soon to pronounce it finally dead.

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AMBIGUITY AND THE POLITICAL SYSTEM

Part II.   The American Political System and the
Innovative Power of "Mild Chaos"

Part I of this two-part discussion suggested that "muddling through"
was a concept which had been applied to policymaking and implemen-
tation in both Great Britain and the United States. It was suggested
that the term had in the past been used for many aspects of British
public life and indeed had almost become a description of her national
temperament. But this view has, in the last thirty years, been increas-
ingly attacked by critics who were alarmed at the outcome of such
attitudes. "Muddling through," both as a description of how policy was
made and executed, and of a more generalized attitude, showed how
dangerously complacent politics and administration had become. Ambiguity
and chaos were no substitute for economic and managerial rationality.
They could not adequately define problems nor seek effective solutions.
What was needed was clear thinking, modern technological and manager-
ial techniques, and less, not more, ambiguity. "Muddling through" had,
by the 1970s, appeared to have earned its reputation as a harmful and
outmoded activity. It was dysfunctional to the political system of a
small country such as Great Britain.

In the United States, however, it would seem that the opposite
situation still applied. In an expanding, innovative economy, (though
disturbed profoundly by the Vietnam War and the troubled cities of the
late 1960s), muddling through was functional: it allowed an <u>elasticity</u>
in the political system. This elasticity allowed the rigidities of the
government structure to be circumvented in order to implement a whole

series of innovations designed to meet the needs of the increasingly

urbanized society. As Martin Grodzins said,

> To those who find values in the dispersion of power, decentralization
> by mild chaos is infinitely more desirable than centralization by
> order. The preservation of mild chaos is an important goal for the
> American federal system.[1]

To examine the current state of support for this approach, this

paper looks at a familiar, but in fact rapidly changing field—that of

metropolitanism (or its fast-displacing euphemism "regionalism") and

the world of intergovernmental relations in which it now exists.

The Theoretical Approach

The problems of the Metropolis—financial, administrative, socio-

economic, and political—are well-known, and analysis of them goes back

at least to the 1930s.[2] In most urban areas of America, the fragmen-

tation of governments, the delivery of services (and their quality),

the inner-outer conflict, are all present in varying degrees. As a

result, it is said, the citizen not only lacks effective and equitable

services, he is unable to control his representatives for areawide

problems. He can neither hold a "metropolitan authority" accountable—

since none exists—nor play a meaningful part in decision-making. True

authority and government remain invisible, in special districts and

public authorities, service arrangements between governments and in new

modes of federal-state-local cooperation.

"Mild chaos" is due in part to fragmentation of both authority

(multiple jurisdictions) and service delivery (special districts).

Robert L. Linsberry suggests four basic features of this fragmentation:

externalities, fiscal and service inequities, absence of political

responsibility, and lack of coordination.[3] The "externalities" are the

unintended spillover effects of the actions of one authority on its

neighbors, for example, in land-use and zoning. Fiscal and service

inequities are familiar. The absence of political responsibility

refers to the invisibility and diffuseness of power which makes citizen

control difficult. Finally, lack of coordination is apparent both

among functions and among decision-making units.

The ethos of fragmentation has, however, received support from

political economists who argue that the multiplicity of units within

an area should be seen as a model of a market place in which the various

units provide services for each other. This is, therefore, a functional

system which both distributes goods and services between "producers" and

"consumers" and fits the preferred values for many local governments.

That fractionated government exists has long been recognized. Attempts

at reform--or debate that reform was necessary--have taken many forms.

The present situation is worth considering, however, as a point at

which two opposing forces may at last be publicly confronted. On the

one hand is the fact that, in the absence of structural reform, power

is shifting from wholly representative bodies to those which may be

only indirectly responsive to citizens. On the other hand there is the

continued faith in local units of government, in some value of commun-

ity life, however marginal the individual's participation is in practice.

This continuing value has a powerful veto power, particularly since

referenda still play an important role in any attempts at change. Power

and legitimate authority have, in theory and practice, a territorial

base. Though this areal base may be shifting from the units which

were originally mapped out, this does not necessarily mean that those

areas can be redrawn. Power was legitimated by its areal base; areas,

in their turn, have become legitimated by tradition, familiarity, and usage. The concern was, as Robert C. Wood notes, that of "creating effective public authority, and the use of geography to bracket this power with legitimacy."[4]

The division of powers on an areal basis creates separate centers of authority to produce policies, goods, and services based on the popular will. More than this, the popular will legitimates not only the decisions which the area-based power makes, but also the limits of what that decision-making shall be. In other words, legitimated power rests on area and constituency but it also rests on that constituency's definition of what are properly public, as opposed to private, decisions. The criteria on which this division of powers is judged is not merely its acceptability--in terms of the legitimated authority and the "public questions" we have outlined--but also on two other criteria. These are, as Wood describes them, the criteria of consistency and comprehensibility.[5] That is, is governmental activity consistent? Secondly, is the authority and ambit of governmental activity comprehensible?

In the postwar world there were fears that government in metropolitan areas failed on both these counts. Not only was area no longer related to power in the old, seemingly simple, way, but citizens could no longer hold representatives accountable for consistent policies and services, nor could they see and comprehend the "invisible governance" that was in fact ruling their lives. As a result, most scholarly argument was directed toward consolidation and rationalization, in order to reintegrate power and performance. This was justified on grounds of both democratic justice and effectiveness: people demanded efficient services as well as accountable government. In Arthur Maass'

view, the basic values governing the division of powers in a demo-
cratic state--liberty, equality, and welfare--demanded institutions
which facilitated citizen participation and efficient and effective
services.[6] Though power may be divided in a variety of ways to meet
these aims, in a federal society the areal divisions of power (to
different regions and areas of the country) is the instrument for
realizing the basic values of the community. But in practice whether
it in fact does so meet societal values remains an open question.
Though the search for structural change and rationization has been a
failure, links are forged between different loci of authority which
inexorably produce a matrix of working relationships in the metro-
politan area. The critics then argue that either this is not "govern-
ment" or, if it is, it does not meet the basic societal values inherent
in the original areal division of powers. Not only is government a
sham, it is an anti-democratic sham.

For the last forty years or so, as a result of these difficulties,
academics and others have lamented the erosion of democratic self-
government. But they have also, as Wood reminds us, devoted their main
attention to administrative reform which would redivide functions
between local units on a more rational, technical base to provide more
efficient services.[7] The rethinking was directed toward what powers
local government needed to carry out its functions effectively, rather
than asking what is the capacity of local government to govern.
Functions needed to be divided between a top-tier metropolitan govern-
ment and various sub-units in such a way as to optimize resources.
The classical division of powers--what Wood calls "political vitality
under restraints which prevent their arbitrary exercise"--was not a

prime consideration of the critics and would-be reformers.

Since the time Wood first drew attention to these problems in
the 1950s, several fresh difficulties have arisen. The great growth
of special districts has met some of the functional problems while
further exacerbating democratic accountability. The search for function-
al rationality proceeded apace while virtually no (with a handful of
exceptions) new top-tier metropolitan governments were created. But
demands for "political vitality" did not abate in the face of this (in
many ways logical and viable) functional, administrative change. In
the 1960s demands for citizen participation, which in essence is a
demand for a redistribution of political power (and which became allied
with strong forces demanding a re-emphasis on the values of equity and
justice), reappeared. These demands have not led, of themselves, to a
radical restructuring of area and power. But they have made, and
continue to make, the question of visible and accountable government
more than an academic argument. If the muddle and chaos are to continue,
and fractionated government remain a tolerable ambiguity, then access
to decision-making, and control over the authoritative distribution of
resources, will continue to be a matter of public concern. In this
way, problems of representation, and the allocation of political
responsibility, remain crucial.

The critical commentators of the recent past, however, were
concerned with this aspect of the problem as a subsidiary or ancillary
difficulty of the larger question of service delivery. It was largely
assumed that political power would follow the substantive requirements
of governmental activities. That is, the administrative location of
functions would take political power with it. This did indeed happen,

but hardly in a way that the critics wished. The functions of govern-

ment were not relocated in a new two-tier structure of metropolitan

government, to which political actors came to recreate the new political

arena. Even as they wrote the special districts and authorities were

proliferating. Those units were subject to informal pressure-group

and interest control rather than direct political control. Political

power did indeed follow the new and evolving functional arrangements,

but it then became invisible and, since it was so difficult to hold

such power to account, literally irresponsible, power. Because the

structure was left intact, and cooperative arrangements between

authorities and agencies encouraged, then power was in essence dispersed

in an _ad hoc_ and unknown way. This also meant that the critics had

neglected the general principle that governments should possess

sufficient power and competence to make meaningful decisions.

Two further features of the authoritative location of decision

making, which have increasingly disturbed commentators in recent years,

are the problems of equity and justice. The fractionated nature of

functions and governments in metropolitan areas not only clouds power

and accountability, it has been a party to conscious segregation,

through zoning, residential covenants, taxation, selective industrial

developments, and the like. Here, chaos has masked inequity and injus-

tice. Though social homogeneity is not in itself undesirable, the

absence of countervailing forces of resource redistribution has allied

exclusivity with a denial of metropolitan justice, in terms of equity.

The municipality or suburb can, in effect, isolate from among the

variety of classes, occupations and races the variant it prefers, "and

concentrate on one type of metropolitan man."[8] This metropolitan man

is not, as older theorists would have it, rootless, apathetic, and

potentially alienated. In fact he lives in relatively well-defined

community sub-areas, provided with, in the political economists' terms,

a "market place" of services delivered to him through a variety of

cooperative and contractual arrangements among many agencies and

authorities. The local representative "government" of his community,

though weak from the point of view of comprehensive services or "mean-

ingful decisions", still has the essential veto power that he demands.

That is, its claim to be the authoritative locus of power is inviolate:

it can resist structural change and its own demise and thus it can

still retain its exclusionist boundaries. Thus the ancient doctrine of

local self-government, and the modern emergence of suburban man, have

combined to disperse both power and potential conflict. Metropolitan

areas fulfill one of the essential features of governance--the

management of conflict--by dispersing it; conflict is atomized through-

out the region and the arena of public debate rarely consciously deals in

an open manner on the issues and values on which such conflict rests.

It can be reasonably argued that such ambiguity is indeed

vitally necessary; a functional aspect of the American federal system

and its politics. By diffusing and obscuring conflict in this way its

potentially harmful effects are mitigated. However, not only is this

comforting theory likely to be, as it has been in the recent past,

harshly disproved by events, it ignores the reasonable view that there

is a real need for a genuine arena for debate about meaningful issues.

To support fragmentation and chaos obscures the fact that area-wide

issues are a reasonable matter for public debate. If this is done

openly, then no doubt conflict will be likely to emerge. But that is

not, therefore, an excuse for avoiding it. It does not follow that

the lack of debate avoids conflict. And the issues still continue to

exist though the refusal to tackle them on an area-wide basis may mean

power passes out of citizens' hands in two directions: to higher

levels of government (state and federal) and to the bureaucrats secure

in their functional agencies. In the last analysis, the drive for a

wider arena of metropolitan activity and debate is justified because

the search for reform is needed on ethical, not technical grounds. The

case for reform rests, not on the threat of impending disaster, but

on values. And this must be publicly declared, not allowed to go by

default.

The Pragmatic Approach

Practical reformers and analysts have, however, been more concerned

with pragmatic inquiry than with ethics and values. Such inquiries

have been both voluminous and meticulous in their analysis of existing

situations and their search for solutions. The most exhaustive analysis

of the work of academics and critics of the late 1930s to the early

1960s is that of Roscoe Martin's Metropolis in Transition.[9] In this he

develops a matrix of sixteen methods of urban adaptation advocated by

writers in this period which he ordered from the simplest (informal

cooperation) to the most complex (metropolitan government and the

regional agency), and from their mildness of effect on the existing

units of local government (cooperation through annexation of unincor-

porated areas) to severe impact (amalgamation, redefined boundaries,

absorption into an outright metropolitan government). Procedural

adaptations--varieties of cooperation, and service transfer or contract-

ing--have continued to predominate.

Structural changes, while still not in the direction of consolidation of local authorities or metropolitan government, have in fact been achieved to a dramatic extent since Martin made his analysis. The enormous and rapid growth of special districts, and the slower evolution of regional agencies, have both been de facto structural changes but of functional bodies, not of general local governments. Finally, we now have what may be a federal or confederal metropolitan government, for example the Association of Bay Area Governments in San Francisco, as these evolve from an informal cooperative mechanism into one capable of providing some areawide jurisdiction. Such bodies it is argued are, like councils of government in general, immune from the one-man, one-vote rule. As such, they avert suburban suspicions of the central city while allowing suburban governments equal representation in the areawide governing body.

Such evolving mechanisms, it has been argued, are more realistic than the too rationalistic efforts of past reforms. The seventy or so metropolitan study commissions of the 1950s, for example, were too influenced by their prestigious lay membership; the heavy involvement of business leaders reinforced the reformers' advocation of consolidation and annexation. And the belief that one should first look at regional or metropolitan problems, and then design an organization to fit, died hard. Now, commentators who review the current scene are more likely to emphasize an evolutionary rather than revolutionary process, to make a virtue of the American art of incrementalism, and to be prepared to tolerate ambiguity and irrationality for the--alleged-- concretization of voluntarism. That this must meet the challenge of-- or founder upon--the issue of representation, is well recognized.[10] But

this issue, in spite of the problems of political power of which it is

after all the expression, is nevertheless seen as a more soluble dif-

ficulty than the former rationalistic stumbling block of consolidation.

Some authors have gone further than this: rationalistic analysis

failed, and so too will a trust in evolutionary change, it it is not

recognized that real reform depends on dissatisfaction and

protest. Most of the time, citizens are content with gradualism and,

argues Lowdon Wingo, some 'critical mass' of the unsatisfied is a

precondition of political reform.[11] Though Wingo does not expand in

detail how one would define--or recognize (short of revolt)--this

'critical mass of the unsatisfied,' he does pertinently remind us that

not all dissatisfaction is thereby grounds for metropolitan reforms.

Some problems are not metropolitan per se but national, such as the

economic forces and conditions underlying poverty; or else neighbor-

hood, such as the demand for participation in immediate social decisions.

The truly metropolitan problems, which are the basis for reform, are

those with significant 'spillover' effects. That is, those benefits

or losses accruing to interests in one jurisdiction as a result of

events or activities taking place in another. How then, do we know

when these spillover effects have generated the necessary impetus of

dissatisfaction?

The answer to this dilemma is nowhere clearly spelled out in the

literature, but at least three elements appear to be crucial. Primarily,

as I have argued in Part 1 of this discussion, a vital element in decision-

making in the liberal, pluralistic tradition remains the power of veto.

What gets done depends on who says "no," and how successfully. In the

metropolitan arena referenda can test this power to a considerable degree,

so too can the willingness to collaborate on the part of member govern-

ments who participate in the various kinds of cooperative devices.
The critical mass of the dissatisfied, then, will be voters expressing
their views in referenda and representatives of local general govern-
ments expressing their, and their constituents' views in regional
councils, planning commissions, and the like.

A second factor in the dissatisfaction equation is the--continuing--
ability to mobilize enough discontent to make "hardware" changes
possible, but not changes in "software" services. That is, as many
commentators have noted, much change in the direction of voluntaristic
metropolitanism is impelled by the rationalization of basic public
utilities--transportation, water, sewerage, pollution control, and so on.
Elected officials and citizens can perceive the need for combined action in
such matters. But "software" problems--those in the field of human
resources--are not seen in this way (and many people have defended the
autonomy of their local area precisely in order to deny a wider respon-
sibility or recognition). Moreover, it is in the field of human resource
problems, particularly in housing and education, that the voices of
the dissatisfied will work strongly against, not for, overt and recog-
nizable forms of metropolitan reform. This is already a demonstrable
result of the past regional evolutionary process itself: while "hard-
ware" cooperation has become widespread and accepted, human resource
solutions are conspicuously lacking. The umbrella agency of the
regional or metropolitan council can avoid the implicit veto of any
particular interest only if, as normally is the case with public
utilities, policy is not seen as bringing explicit threats to preferred
life-styles.

Thirdly and finally there is the difficulty that, however numerous, vocal, or powerful the dissatisfied are, their ordering of value preferences may support metropolitan reforms up to, but not including, metropolitan general government. This is not necessarily a rational argument (though it is not necessarily irrational either: the vaunted economies of scale in area-wide service provision remain to be proven). Fear of 'supergovernment' is deeprooted and refers to a basic--and perhaps supervening--belief in the value of liberty over and above potential rational benefits based on the criteria of efficiency. The potency of this factor has led, in turn, to the call by metropolitan reformers for two-tier federal forms of government in which neighborhood communities balance off the centralized power of the metropolitan-wide authorities. Incidentally, these are arguments which, it should be noted, are not necessarily those of the advocates of 'participatory democracy.' The believers in two-tier metropolitan government are not nearly so concerned with ultimate questions of neighborhood power and control (and problems of equity which may be involved therein) as, in practice, the division of functions between upper and lower tiers of government. As a result the criticism can often be justifiably made that lower-tier units are in no sense neighborhood governments but administrative field centers with minimal responsibilities.

There is in the reform literature, therefore, a fairly constant theme that a critical mass of dissatisfaction is a precondition of reform, or that there is a critical threshold beyond which interjurisdictional issues can no longer be merely ignored, but must be resolved, even if this resolution is no more than ameliorative. Such views, however, do not go unchallenged. The realistic school still argues

that metropolitan political integration, even on this minimal level,
is not yet. The continued strength of metropolitan areas is that
they exist as systems cemented together by almost unconscious forces
of 'mutual adjustment.'[12] This argument is akin to that of political
economy, in which a kind of market place of forces distributes people,
governments, and services throughout an area on a more-or-less mutually
satisfactory basis. Once in being, such a system is remarkably ten-
acious and self-perpetuating since the mutual adjustments which occur
can be both incremental and non-conflictful. Jurisdictional autonomy
is maintained and there is no need to channel coordination through an
overt hierarchical structure. Lindblom in fact goes further, arguing
that mutual adjustment becomes inbuilt so that formal contacts are
not always necessary: individual local units will take account of each
other's expected behavior.

System-maintenance thus becomes an all-pervasive force in metro-
politan areas. Where formal relationships and informal contacts do
appear, they can be seen as a form of diplomatic bargaining in which
territoriality, not size or resources, is the main parameter of coordin-
ating or cooperative behavior. Matthew Holden, Jr., has described
metropolitan governance in terms of international relations of a
diplomatic system.[13] If this is the case then, as in diplomacy between
nations, much depends on ritual, procedural tradition--and on trust.
Unlike nations, however, conflict (in terms of war) is not waged in
terms of subjugation and victory but avoidance and coexistence.

Other authors have argued that a well-entrenched political system,
rather than a loosely diplomatic arena, does now exist. H. Paul
Friesna has argued, for example, that the metropolitan politics of

bargaining may not only be adequate for the maintenance of a political

system but one which operates more rationally than many people have

admitted.[14] Such a system arises essentially from inter-authority

service and contracting agreements and the relationships which build

up around them. Friesna's work suggests two further pertinent points.

One is that regional leadership--so often seen as a necessary, but as

yet perhaps missing, ingredient in the evolution of governance--does

already exist. Regional actors, both elected officials and regional

administrative entrepreneurs, already move on the scene and increasingly

derive power and authority from their pivotal roles as facilitators

and communicators.

The second consideration is a less encouraging one. This entrenched,

relatively rationally operative political system does not as yet address

itself to the crucial questions mentioned earlier: class barriers, tax

equity and tax redistribution, and racial tension. Indeed, critics

would argue that its well-entrenched features in° this respect auto-

matically are a barrier to the resolution of such issues. The essential

character of the well-entrenched political system in metropolitan areas

is its blandness and mutual adjustment: where no hierarchical authority

exists and relationships are publicly invisible, items such as these

appear on no agenda. Rocking the boat can then become the disruptive

Sin.

Metropolitan Devices: Federal, State, and County Issues

More than a decade ago, the Advisory Commission on Intergovern-

mental Relations suggested ten major alternative forms of metropolitan

reorganization, ranging from intergovernmental agreements, and volun-

tary metropolitan councils through special districts and urban counties

to annexation, consolidation, and federation among municipalities.[15]

Rarely, however, have such alternative devices been used to promote more than working cooperation. The political barriers to fundamental reform are well known. They include: apathetic voters, reluctant political leaders in a power structure whose vested interests support the status quo, entrenched opposition from suburban officials and their constituents, and a growing reluctance of black leaders and voters to risk forfeiting recent gains in political power within existing structural arrangements. To other writers, who in essence see 'metropolitan problems' as a broader euphemism for 'city crisis,' the alienation of urban life, its physical formlessness, public corruption, and lack of _civitas_ can not be remedied by federal action to deal with 'social, economic, and racial inequities.' The program for such a remedy has in part been dealt with in Part 1 of this discussion: the federalization of welfare, federal tax reform and improved fiscal equity, legislative and juridical action, and regulatory enforcement.

Between these two views—a list of various restructuring arrangements of governing units on the one hand, and national solution of economic and social problems on the other—comes a consideration of current federal-local relations in the metropolitan arena. The growing impact of federal involvement is not, it is argued, either structural nor socioeconomic in its thrust. Pragmatically orientated towards more effective service delivery, it has, in its desire to decentralize federal review and evaluation procedures, suceeded in creating a greater drive towards metropolitan governance than would have been thought possible even a decade ago. Now clothed in the values of the

'new federalism'--a recasting of federal/local relations to return
more power to local communities--the federal stick-and-carrot of
recent years has succeeded in making ambiguity respectable.

Even ten years ago, while John C. Bollens and Henry J. Schmandt
saw multicentered metropolitan government lumbering along in a way
which stood as a formidable barrier to areawide decision-making, they
recognized that officials were coming to see state and federal inter-
vention in the areawide gaps as both regrettable--and as welcome aids.[16]
Since the mid-1960s in particular the intervention of federal govern-
ment in areawide governance through the A-95 review procedure has, in
the words of Melvin B. Magoluf, in a sense co-opted local government
into the federal decision-making process at a very small cost.[17] More-
over, it can be argued, this federal intervention, and the reordering
of federal/local relations which it implies (see below) is based on an
ambiguity which is crucially functional to a political system in which
relationships are changing. The A-95 review process, on which federal
intervention crucially if not wholly depends, operates through a
Clearinghouse/Council of Government which is ambiguous.

The expansion of the A-95 process is due to its mildness and to
the fact that it looks rational. As such, it has distinct advantages:
it is ambiguous, it is not costly, and it is, says Magoluf, a cheap
form of protection for the federal agencies.[18] But since the reviewed
do the reviewing--and there are few if any regional plans against
which in fact to carry out the review--then this is essentially a
process of intercommunity clearance. The real crunch--regional planning
and land use--remains with member governments.

Noone agrees as to what a COG really does; its functions as forum, communication facilitator, review mechanism, adjustment procedure or whatever, vary according to the perspective of the observer. Though its critics claim that such blandness—no COG will normally overrule or direct its individual member local governments—is mere tokenism, its supporters claim this as its strength. The COGs' present neutrality may seem bland but it offers the best potential for evolutionary change at the metropolitan/regional level.

The clearinghouse is the federal government's entry into the field of metropolitan governance, forcing an area-wide consideration of problems and a meeting of plenepotentiaries from separate fiefdoms. But, while some people in federal government may view COGs developmentally, and believe in their potential for metropolitan governance, the main view still would seem to be that COG is a powerful instrument of federal policy based on the federal government's values. COGs are the facilitators of the flow of funds rather than an influence of how they are used. From this point of view, COGs could as easily emerge as the agents of the Office of Management and Budget and the Department of Housing and Urban Development as a nascent unit of metropolitan governance, even though COG is conceptually part of local government.

The other side to this picture is one to which we will return: equity and priority ordering. It is less painful, as Melvin B. Moguluf puts it, if federal government does the redistributing of resources according to need; COGs cannot as yet do this and this in itself may be a case against metropolitan reorganization. Secondly, the day will finally come when COGs will have to move into negative review and the COGs structure (based on confederal member units) makes it unable to

distinguish good and bad.[19] Currently, COGs need no supervening

authority since they are content to play the role of neutral third-

party brokers between local governments. Only when an authority

mechanism is perceived as necessary will it emerge; until that time,

authority remains dispersed.

Another continued barrier to the development of COGs into stronger

forms of governance is their relation to single purpose agencies.

Although ACIR now recommends that a regional umbrella organization

should be the policy board for such agencies and should have power of

review over them (see below) this must mean that the COG itself will

have to undergo structural change to include state appointees. If

this is not done then, Kent Matthewson believes, the present 'Balkaniza-

tion' may merely be replaced by another form--regional special districts--

unless these are made responsible to a reformed COG or Metropolitan

council.[20]

Most observers of the metropolitan scene from the Kestnbaym Report

(The Commission of Intergovernmental Relations) of 1955 awards have

called on the states to discharge greater responsibilities. Federal

intervention is no solution on its own; the active participation of

the states is needed to facilitate the emergence of a regional govern-

ing body. In fact the drive of federal intervention occurred precisely

because of past state inaction; nearly a decade ago there were already

fears that unless states took a bigger part there would be a much

wider assertion of direct federal action and control.[21] States are

urged to strengthen their legislatures by considering unicameralism

(and by meeting regularly and increasing their staff competence), to

change their constitution in relation to both powers (e.g., state/local

relations) and functions (particularly to adopt a progressive income
tax) and to facilitate an increased role for the governor, again
through revising his powers and increasing his staff capabilities.[22]
Congress, too, has shown its concern: recent legislation such as the
Intergovernmental Cooperation Act and the Intergovernmental Personnel
Act demonstrate Congress' belief that the general governing capacity
of the state-local system must be strengthened.

But although states may be seen as having a key role in metropol-
itan areas, states are in fact not able to decide which mechanisms are
best for which functions. In addition, state legislatures may be un-
willing to create an umbrella regional body whose policy is controlled
by local governments. The states operate through a system of district-
ing and agency field administration which, though it overlaps and
conflicts with other regional cooperative efforts, is both familiar
and state-controlled. A state's relation to regional issues is generally
through state bureaucracies and agencies, not COGs, and it has in the
past preferred to use normal 'working relationships' to cope with these
regional issues. But this situation is unlikely to continue into the
future since the state faces demands that it pay more regard to fiscal
and service equity (for example in education, see below) and the reso-
lution of the problem of authority in regional organizations, as has
been suggested, must involve the states. State involvement in COGs or
in future regional councils is more likely than State reorganization of
its local governments. Few observers suggest this step; perhaps the
most that has been advocated in recent years is the President's
Advisory Council on Management Improvement's suggestion each state

should set up "Hoover Commissions," and constitutional conventions, to modernize state and local government.[23]

Counties, especially 'urban counties,' are similarly urged by reformers to modernize to meet the increasing demand for services. Some observers believe that they are the natural units to provide regional solutions if the barrier of Dillon's rule is removed. In metropolitan areas counties need specific powers from the state; and 'home rule' charters, centralized executive authority and professional management, are all seen as pressing needs.[24] But this trend would mean, of course, the reduction of independently elected county officials and this, and the fact that counties--particularly suburban ones--play a powerful role in state politics argues for slow, not rapid trans-formation. Continued 'political considerations' are based on both powerful existing areas and interests and in the 'representation' arguments that modernization would entail.

Increased attention to counties has come from the issue of city-suburb conflict and the 'equal protection' clause. The question of representation on the base of one man one vote as opposed to one unit one vote, has been crucially affected by the Supreme Court decision in the _Avery v Midland County_ case of 1968. This extends the Equal Protection Clause, the concept of 'one man one vote,' to local governments. Such requirements would, of course, cast doubts on the development of regional governing bodies which were made up solely of local officials from constituent member local governments, since the population disparities between these units would violate the one-man, one-vote principle.[25] The opposition to making multi-purpose metropolitan agencies has been political: the fear that such reapportionment would give the cities a dominating place in metropolitan

politics. In fact it is probably the case, as Thomas P. Murphy has
suggested, that the Avery v Midland County decision has come too late:
the central city population was already showing a decline or a reduced
rate of growth while the suburbs were expanding rapidly. The result
has been to increase the political significance of counties both in
the political party systems and on the metropolitan governmental scene.[26]
Murphy then uses this phenomenon to argue that the case for reorgani-
zation of regional government with the county as the base, since the
counties are natural units, in his view, to provide a metropolitan
system. The impetus to change, however, comes not only from federal
or state governments but also from the debate on "grass roots" democracy.

Metropolitan Reform as an Engine for Community Vitality

Following the interest of the 1960s, there is now a voluminous
literature on decentralization within urban areas, on neighborhood
government, participatory democracy, and the like.[27] The extent to
which authority is decentralized has been a constant theme throughout
American history. Several different values are implicit in the
search for democratic community life in small areas: liberty, self-
government, the right to take part in making decisions which affect
one's life, influence over local services, control of local officials.
To their most enthusiastic admirers, neighborhoods also offer a means
of promoting neighborliness, civic sentiment, and reduction of aliena-
tion and apathy.

But the question of decentralization is essentially one about
power and its distribution: who shall control what is done and for
whom, and how will the smaller unit relate to larger, city-wide

power structures. Those now holding power are unlikely to surrender
it easily.[28] From this point of view, after the stormy period of the
1960s, observers and critics seem content to see the decentralized
neighborhood as less of a self-governing community and as more of a--
largely administrative--part of the whole. There are also fears
that the neighborhood self-government movement, allied as it was to
controversial questions of community control (of particular services,
such as the history of community schools in New York) and black power,
may unwittingly serve to reinforce suburban exclusivity. For a long
time now suburban sprawl, and the fragmented government structure of
metropolitan areas, has served the interests of suburbanites by en-
suring that they live in separate enclaves. From this point of view,
metropolitan fragmentation, coupled with the ethos of neighborhood
democracy, can be a means of insuring inequality. That this may be
mutually acceptable does not meet the objections: there are few com-
pensating mechanisms (for distributing the 'cost' of the poor, or of
public services, throughout the region for example) which mitigate
this inequality.

The neighborhood movement, however, cannot be merely dismissed as
irrevelant to the basic problems of regionalism or inequity: for one
thing, there is a real and continued antipathy against large bureau-
cracy in urban areas. Though it now appears unlikely that full-flown
neighborhood government, with an elected council controlling services
and staff, will be adopted on anything like a wide scale, nevertheless
municipal decentralization is likely to increase. Decentralization of
city hall administration into field offices, 'little city halls,' or
neighborhood service centers, though modest, are more feasible.

Though essentially administrative devices, they can allow for greater citizen input into service delivery where they are allied with advisory mechanisms and complaint procedures--resident councils, ombudsmen, and so on. Such structural modifications, aimed at making services more responsive, are well within the American tradition of incrementalism. But, as Henry J. Schmandt warns, the major social problems--institutional racism, low income, unavailability of jobs and underemployment--cannot be solved by relying on decentralization. Nor, therefore, will decentralization alleviate deprivation and alienation.[29]

More enthusiastic supporters have urged that this modest approach could legitmately be extended: Joseph F. Zimmerman and Howard W. Hallman use the concept of the 'federated city.' More than a device for administrative decentralization, the federated city puts neighborhoods at the lowest tier of government,[30] a sub-unit of city government composed of a representative body elected by residents.[31] The actual control which such bodies would have is unclear, since even the advocates of the 'federated city' doubt that community is a deeply felt commitment in many areas--conflict of interests can be as typical as commonality of interests--and they recognize that many of the demands for institutional modification would subside if people could manipulate existing opportunities successfully.

Few commentators would go along with Milton Kotler's views that the city has, in an imperialistic fashion, swamped existing vital communities, or with his remedy for a legal incorporation midway between city hall and a system of complete neighborhood seapratism. Some cities see such a scheme as more formalistic and authoritarian than participatory. Nevertheless, the feeling remains that the idea should

not simply be dropped, even though the highwater mark of its fashion-
ability--the Advisory Council on Intergovernmental Relations reports
of 1969 and 1972--has now passed.[32] But the proper focus for such an
interest--apart from the (almost trivial) generalization that any
system of urban government must order its service delivery in such a
way as to meet neighborhood needs--is still the cyclical model advanced
by Herbert Kaufman in 1969.[33] Kaufman argues that, from the post-
colonial period onwards, American urban political institutions have
followed a cycle produced by a change in emphasis among three values:
representativeness, politically neutral competence, and executive
leadership.[34] We can also add that, as the argument for metropoli-
tanism shows, the centrifugal and centripetal forces now co-exist.
Increased centralization of calls for rational reforms which increase
executive power and administrative effectiveness at the center
(whether city hall or regional council) go on at the same time as
demands for increased popular control at a decentralized grass roots
level. Indeed the proponents of the former often argue their loyal
support for the latter as an integral part of a whole reform package
of metropolitan government.

The cycle of values of representativeness, politically neutral
competence and executive leadership, or the continuous existence of
centrifugal and centripetal forces in a political system should not,
however, lead us to the conclusion these are unquestioned verities or
inevitable processes. All cases are not necessarily propitious, as
Irving Kristol warns. Decentralization is often a complement to
neo-populist ideas (themselves a continuing thread of American thought)
and thus, potentially, of social conflict. Kristol warns, therefore,

that extensive decentralization in urban areas could be a precursor
of greater political polarization and social tension.[35] However, though
the truth of this must be acknowledged, as should the conclusion that
alienation is not necessarily reduced by greater neighborhood decentral-
ization[36], it would be wrong to conclude that we can put the partici-
patory ideas behind us. Elliott Richardson, as Secretary of HEW,
commissioned a study in 1972 to enquire into citizen control of
services and to seek means of implementing the Department's stated
goals of devolving power and enhancing program effectiveness.[37] Prag-
matic considerations are pushing forward improved grievance procedures
and advisory participatory mechanisms. This, and probably more, will
continue to be needed. Democratic government, inevitably, must always
cope with its inherent dilemma. It must cope with both power and
responsiveness, and must have an innovative capacity at the same time
as it remains sensitive to citizen interests. This will inevitably
mean continued tension.

The grass-roots of the metropolitan arena will thus continue to be
a focus of interest. Currently, however, it is the wider world of
interrelationships between institutions and power centers which engages
most attention.

The World of Intergovernmental Relations

Intergovernmental relations depend on cooperation and coordina-
tion, which are both their means and their goal. But agreement between
people and institutions must be effected through formal or semi-formal
structures, otherwise time tends to erode the relationship and agree-
ment gradually dissolves as the established sectional interests
reassert themselves. The last ten years has seen a great expansion of

both the number and role of regional councils which, it is frequently

argued, now provide such a structure for enhanced cooperative relations

between governments of a particular area--the metropolitan region.

Regional councils involve some 80 percent of the population and

are established in almost all of the nation's 237 metropolitan areas.

Sixty percent of these councils have been created since 1966, largely

as a result of the impact of federal review requirements for grant-in-

aid monies. Regional councils are not governments in the traditional

sense--they are advisory, they do not operate public services directly,

and they have no taxing or regulatory powers--and their main purpose

has been to provide a forum and a partial joint decision-making body.

As ever in the sphere of such governmental relationships, several

elements are, and will long continue to be, basic issues: represen-

tation, implementation, finance, and methods of evolving a public

identity. But these are, essentially, the product of a more fundamental

issue. In order to achieve comprehensive and democratic regional

planning (if the cooperative forum is to be more than a mere talking-

shop) then the governments involved must create a political process,

a management system, and a means for public involvement. That is, it

must govern. It is a form (potentially at least) of metropolitan

governance, not merely a method of exchanging views. As such it must

eventually come to grips with the problem of authority, political

control, public accountability, and responsiveness. Any one of these

presents a formidable task; taken as a whole they may prove to be an

insuperable barrier to effective regional governance.

But, it is argued, the alternatives are equally, if not more,

formidable. It is unrealistic, it is argued, to expect radical

reorganization of local government. And the growth of special districts, and the use of special state or federal agencies to implement decisions, have already debilitated local democracy. While some functional or geographical modifications of local government can be expected to continue to have an impact on urban affairs, the radical implications of a Dade County reorganization or a state-enacted Twin Cities Metropolitan Council show, as yet, little signs of being initiated. Intergovernmental cooperation through regional councils remains, therefore, the most fruitful and least conflictful path.

The first type of councils to be developed were Regional Planning Commissions (RPCs). Section 701 of the Housing Act, 1954, established urban planning assistance to metropolitan areas. By 1968 these mere 216 regional planning commissions (after which their growth slowed, due to other developments). RPCs were established by a special state act or by general enabling legislation; their weakness was their purely advisory nature. There was no parallel regional government with power to implement RPC decisions; that depended on local general governments' willingness to meet the plans' aims. Nor did they plan in the human resources field such as housing and manpower. RPCs were further weakened as authoritative planning bodies by the fact that they were not composed of local officials; their representatives were normally prominent citizens appointed by the governor or by local governments. Similar to the RPCs were the Economic Development Districts (EDDs) created as a result of the Public Works and Economic Development Act of 1965 as an attempt to coordinate public and private efforts toward the economic progress of an area. They represent economic interests, local governments and citizens; they have more formal power than the

regional planning commissions in that they are responsible for developing and implementing an Overall Economic Development Program. By 1970 there were 109 EDDs.

Regional government could take a variety of forms: city-county consolidation (e.g., Nashville and Davidson County, Tennesse), a hierarchical model (further development of the federally-inspired review, and potentially overview, regional planning) or confederal, (local units retain essential autonomy). All the forms have to confront three basic issues: the functions of the regional body; the role of constituent units of governments and, equally thorny, of special districts and authorities; and the relations between the parts and the whole.

But the most promising regional forum is considered to be the Regional Council of Government (COG), whose beginnings lay in the Supervisors Inter-County Committee, set up in the Detroit area in 1954 and whose growth was subsequently massively aided by federal intervention. In 1959 and 1965 the planning assistance provision of the 1954 Housing Act was amended to encourage comprehensive area-wide regional planning and to make councils of local government elected officials directly eligible for federal funds. In 1968 S.701 was again amended to extend eligibility for '701' grants to include multi-county nonmetropolitan areas, cities in metropolitan areas, economic development districts and multi-state regional commissions. A similar federal boost came from the Federal Aid Highway Act of 1962, which required regional transportation plans to be developed and a cooperative planning process for all metropolitan areas of 50,000 or more population. As with subsequent provisions, the 1962 Highway Act contained both

carrot-and-stick incentives: 70 percent matching grants for the
planning studies, and no approval after mid-1965 for plans which did
not meet its comprehensive planning requirements.[38]

The response to these federal moves was dramatic: in the five
years following 1965, over two hundred COGs were created. Undoubtedly
this was due in large part to the effects of the carrot-and-stick
provisions but in one real sense the development was largely fortuitous.
Undoubtedly, the federal government wanted to promote regional coordi-
nation, and believed that it could do this through its funding and its
planning requirements, but this was not done in any systematic way as
part of a coherent national policy. To some extent, this can be seen
as perhaps deliberate: ambiguity over the development of coordinative
capacity in the sensitive area of local government autonomy and home
rule, was probably initially essential to get the movement under way.
That the ambiguity is still so functional is open to serious question.

Although there was no overt national policy it is possible to see
something of a development from an advisory, cooperative forum to an
attempt to promote genuine regional planning (which by implication
means coming to grips at some stage with the problem of orgering
priorities). The earlier federal legislative actions were given a
boost by S.204 of the Demonstration Cities and Metropolitan Develop-
ment Act 1966, the parallel OMB Circular A-95, and the Intergovern-
mental Cooperation Act 1968. S.204 is often considered to be the most
significant federal action strengthening regional councils in metro-
politan areas since it required that a regional planning agency be
charged with reviewing and commenting upon local government applica-
tions for some 39 different federal aid programs. Each proposal was

to be reviewed in terms of its consistency with the regional plan.
That this requirement remains still largely a pious hope, since few
genuine regional plans exist against which such reviewing may take
place, does not detract from the potential importance of this legis-
lation to make real change in regional governance in the long term.

At the same time as S.204 was laid down, OMB was also charged with
responsibility for designating the appropriate regional planning
agencies to carry out the review function. Such bodies were, as far
as possible, to be composed of or responsible to the elected officials
of local governments in the area. By 1970, in fact, some 56 percent
were composed of a majority of local government elected officials,
compared to 38 percent of them in 1968.[39] The 'review and comment'
procedures of S.204 were expanded under the Intergovernmental Cooper-
ation Act, 1968, and OMB Circular A-95 extended the S.204 project
review concept to non-metropolitan, as well as metropolitan, areas.

That this is a movement on the way towards a coherent national
policy, rather than an actual policy in itself, must be stressed. And
the most important consequences of such policy may turn out to be the
largely unanticipated ones. Prime among these is the question of
tension between planning and resource control. Any regional planning
must, if it is to be more than mere list-making compilation, affect re-
sources and their distribution. The difficulties of doing this within
an essentially confederal body of equals, is well-known. As a result
neither effective planning, nor a change in resource control, may be
possible. Such features remain ambiguous because they are extremely
sensitive political issues which are unlikely to be solved merely by
cooperative efforts among member local governments. And the states,
as well as the federal government, have been extremely reluctant to

legislate for change in the direction of authoritative control of

planning and resources distribution.

Some authors, however, are more sanguine about the regional future.
Speaking of developments in California, a County Administrative Officer
asserted: "Voters. . . want governmental effectiveness, even if it
takes regional government to get it." But whether this entails
regional government as such may still be open to question. Victor
Jones stresses that: "It is relatively easy to get a metropolitan
system for planning, decision-making, and administration, if a commun-
ity is satisfied to have important decisions made by functional special-
ists with little or no relation to each other and without means of
establishing priorities."[41] In the past, the citizens' willingness to
accept just this, rather than risk surrendering autonomy to regional
super-government, has allowed the fractionated, invisible rule of the
multiplicity of ad-hoc bodies. Jones and others therefore argue that,
given the example of successful cooperative ventures such as that of
the San Francisco Bay Area (ABAG), such voluntary organizations can
evolve into a viable and effective regional agency which can order
priorities.

Though the national government is now, paradoxically in the
American ethos (if not in actual practice), the focus for the main
discussion of urban and metropolitan affairs, the evolving tendencies
in regional councils are not 'imposed' from above. Local officials
are now actively seeking state empowerment and other aids to strengthen-
ing the councils. And this is not merely self-interest in the need to
join regoinal councils in order to gain access to federal funds. Though
this has undoubtedly been a powerful force, officials are now

enthusiastic about the benefits of regional collaboration for its own

sake as a result of their experiences in them.

Doubts as to the effective outcomes of such collaboration, however,

remain large. Although Congress may have been motivated in the 1960s

by the belief that local programs would be improved by setting regional

objectives, the evidence is equivocal. Regional policies and planning,

as has been said, are not necessarily redistributive and some observers

believe that COGs will have to be specifically required to set prior-

ities before they will in fact do so. Again, while enthusiasts believe

voluntarism can now be built upon through a state statutory base and

through federal requirements, critics can legitimately argue that in

practice which services can be treated on an areawide basis will be

decided by political criteria--and that means a continued restrictive

role for regional governance. Similarly though federal requirements

themselves--through A-95 processes for example--have been responsible

for the restructuring of horizontal relations among area local govern-

ments, formally recognizing these restructurings in a publicly account-

able body with more powers than currently exist, is as yet some way

off.

It can be argued, moreover, that though federal intervention has

restructured horizontal relations among member governments, in fact

its main aim has always been functional--to move a program. And Melvin

B. Mogoluf trenchantly maintains that until areawide agencies really

want to be a powerful influence on federal funding decisions then the

federal funding agency itself will remain a de facto areawide policy

maker. Moreover, the drive of federal government to provide policy

direction in the metropolitan arena can itself be a functional

equivalent for a 'single municipal corporation' coincident with the

metropolis.[42] The ability of the federal funding agency to remain the

de facto regional policy maker is partly a consequency of the unwilling-

ness of regional vested interests on agencies and councils to set

priorities and make choices. Nor do we know if, in fact, federal

agencies accept such recommendations for priorities and programs

which the councils do make nor, if they are accepted, how influential

they are on federal agency decisions. These rather pessimistic con-

clusions lead us to agree with Mogoluf that many areawide planning

agencies are still only an "insurance device for the continued flow of

federal funds to local governments."[43]

Putting these pessimisms aside, however, several basic issues of

an evolving, changing political system are evident in the problems

facing metropolitan, areawide regional devices. (One of the minor

matters of remark is the way in which regionalism has become a

euphemism for metropolitanism; the failure of the latter has almost,

it seems, led to a more neutral-sounding substitute). The basic

issues facing these burgeoning collaborative efforts can be easily

summarized as: function, form, area and powers. The literature on

these issues is voluminous, but the problems are the perennial ones

of political life. The first--and perhaps the one which has received

less attention in the literature (in which the works of James W.

Fester and Arthur Maass still remain seminal)--is that of area. What

is a region? In many ways, this basic problem has already been pre-

empted by the great drive to set up councils in regional areas, and

also by the acceptability of the incremental approach which makes

collaboration between existing units, rather than remapping, the only

viable method. And, although Norton E. Long and Peggy A. Heilig have

put forward a concrete suggestion for an areal base for multi-purpose

planning--that of the labor market area--this is the exception.[44] Most

commentators are content to praise the flexible areal boundaries of

current COGs while advocating that future developments will need,

ideally, some form of State Boundary Commission to set and review--

under normal political procedures--regional boundaries.

The issue of what functions such bodies should perform has, by

contrast, received greater attention. Again, however, there is

little attempt to argue from first principles. The roots of existing

councils, in public utility facilities and 'hardware' planning, is

recognized as the realistic starting point. From this, it is hoped,

developments into the human resources field can evolve, taking the

inevitable tensions and conflicts into their stride precisely because

they have established themselves as acceptable regional instrumental-

ities. A regional consciousness is, it is argued, now evolving, even

if its most powerful focus is as yet transportation. That regional

councils should be multi-functional is widely supported; Joseph F.

Zimmerman has suggested that to achieve this, the next steps in

regional governance should proceed by way of lateral mergers since

this would facilitate the coordination of functions without directly

affecting the responsibilities and powers of cities and towns.[45]

Others doubt whether the number of functions which a council

performs--and so benefits from the ability to coordinate them--will by

itself make regional governance of this kind viable without two further

powers--land use planning and control, and a move towards some kind of

equitable regional income tax.[46]

This kind of question over functions brings us to the related

questions of powers. The basic power--to tax--is unlikely to be seriously

developed further until the state legislatures are willing to take a
more positive role than they have so far done over the future of
regional governance (as over local government in general). The
central political issue reamins not the necessity for a multipurpose
regional authority but who will control it and how such controlling
authority shall be exercized. The continuation of home rule rests,
after all, on the belief in divided political power. And local
officials (who still see regional councils in 'hardware' terms) are
divided: though they are not satisfied with weak voluntary discussion
groups they fear powerful metropolitan agencies with powers to imple-
ment their plans.[47] An overwhelming number of local officials accept
the idea of umbrella agencies with powers to revie w and coordinate
the functional plans prepared by special districts but only a
minority see them as having a veto power and are against councils
having functional powers.[48]

A genuine impact on the question of powers in the councils has
been made by the _Serrano v Priest_ decision, by federal pressure, and
by court cases in the areas of education segregation. The _Serrano v
Priest_ decision of August 1971 on public school finance and integration
in California affects both the relations between local areas and also
touches upon the basic power relations between states and local govern-
ments. The court decisions in this and similar cases have produced
two crucial judgments: that school governments are simply creatures
of the state to be arranged or rearranged as necessary; and that the
system and finance of public education is subject to judicial review
under terms of the equal protection clause. As a result, Jerome
Zukosky has claimed, the recasting of state-local relations will

encourage regionalism in education: ". . . metropolitan organizations for this most intimate of 'local' concerns will emerge from the long and undoubtedly agonizing debate that is now beginning."[49] Thus the court cases on educational segregation of cities and their suburbs may help to recreate new forms of local government and the way in which powers are exercized--but only if the states play a positive role. Federal Judge pronouncements in recent cases in Detroit and Richmond "declared that the state has a duty to overcome the problem presented by white flight from central cities by recreating the neces= sary local government and requiring positive acts of it and the state to achieve racial balance."[50] The compulsion to seek strengthened institutions for metropolitan planning and decision making in educa- tion and in housing will lead, Zukosky believes, to a 'recasting' of local powers upward and of state power down, into a new balance giving a clearer definition of the metropolis.[51]

The belief that the state is the only government with sufficient authority to solve areawide problems is an old one and one which, in the past, has been responsible for the single-purpose authority and special district approach to problem solving. Now, it is being suggested, the state should have a direct role in re-examining region- alism. But the form which such a body should have, and how it should represent, and be responsible to, its public, is crucial. It is not merely an academic problem but one which, as in the San Francisco Bay Area for example, has led to prolonged political debate and bargaining. More than a decade ago the Advisory Commission on Intergovernmental Relations was opposed to regional planning commissions made up of part-time citizen commissioners and dominated by their planning staff;

today, the argument about representation and accountability is more complex. The debate ranges widely. Some regionalists would like to see a fully-fledged, two-tier federated system of metropolitan government in which the regional council is a multi-functional body, popularly elected on the one-man one-vote principle, and with a strong chief executive. Cities and towns would retain much of their present power and responsiblity while the top-tier regional council would have planning and review powers for the whole area and functional responsibilities which are not now in fact being undertaken by other local governments.

One of the difficulties with suggestions of this kind--apart from resistance to change by existing governments based on vested interests and the strong ethics of home rule--is the opposition from other groups in the region. Trade unions and business interests in particular are normally opposed to general purpose government since the existing fragmented 'system' represents a complicated and familiar balance of power. The ambiguity and 'chaos' of such a system is preferred not merely because of its familiarity but because of the bargaining advantages it offers. Minority groups, on the other hand, fear that a new structure of metropolitan government would erode the benefits of power which have been gained in recent years, especially in core cities. Minorities also fear that directly elected top-tier boards or councils will fail to represent their views adequately in regional decision making.

At the opposite end of the scale from the fully-fledged 'federated' system is the call for the continuation of purely voluntary cooperation among member local governments considered as equals and with no

hierarchical relationships. Representation would then continue to be on the basis of one vote for each member government. The regional body would have planning but not implementing power and could carry review and comment A-95 procedures. The one-unit one-vote system works well, it is claimed, since additional devices have proved feasible. To allow for disparities of population size among member local governments, for example, an executive committee within the regional council can operate on population-weighted votes while the general body of the whole council (with its overriding powers) can retain the one-unit, one-vote base.

Most commentators on regional government, however, see the present system as one which is evolving beyond minimal voluntary cooperation and where the changing nature of the relationships, and of the powers involved, demand a mixed form of representation. Under the present system of COGs, it is argued, planning is too often a euphemism for the rationalization of decisions which are made elsewhere--particularly since there are few effective measures of accountability or performance yardsticks--and if this is to be avoided in the future, the solution is to set up a general, but limited, purpose agency with a mixed representation of local government elected officials and minority and civic groups. At the same time, this umbrella multi-jurisdictional organization should be made the preferred instrumentality for the A-95 review and comment procedure; state and federal governments should aim, as far as possible, to make their agency and project areas coincident with those used in the region, and the state governor should designate the regional organization with the legal status of an agency of local governments to which they must belong.

This would indeed be a powerful body on the American scene. To ally the A-95 clearinghouse function to a body having policy control over areawide planning particularly if, as ACIR currently suggests,[52] it also acts as the main policy board for special districts through its A-95 process, is a potential powerful force--if not battleground. And suggestions for making regionalism into a method of overview and review of the burgeoning special districts and authorities of recent years is more than just a question of 'substrate districting.' It is, as is well recognized, a pivotal mechanism in federal, state and local relations. The new regionalism would then be, as Charles M. Hoar suggests, a matter of the metropolis in league with federal government as a key structure in a really New Federalism.[53]

The evolutionists might well draw back at such a prospect. Regional governance with such planning, review and rationalization powers would almost be a 'fourth estate' in the federal-state-local relationship. Such a fully-fledged form of coordination seems unlikely, particularly if regional bodies continue to evolve out of their current collaborative efforts and retain a strong element of one-unit, one-vote representation. Review, and supervision of special district organization could evolve, it is true, but to be successful, and not a mere sham, coordination must be valued by those who are being coordinated.

And the kind of coordination which is likely to be valued in practice is one based on the belief that a regional agency or council should not have unchecked autonomy. Local leadership well understands that, in crucial respects, they are the beneficiaries of confusion (after all, review and planning imply priority-ordering which may curtail any one government's access to federal funds and its

ability to act autonomously). There is a resistance to coordination
throughout the American system--'we are united around our differences'--
as Mogulof says in the somewhat different but pertinent context of the
attempt to get to grips with the problem of area and function in the
Federal regional Council System.[54] More than this, the failure of
coordination is not fortuitous and arbitrary, it is functional, at
least to the current pattern of power relationships. There is still
a strong belief in the values of pluralism and anti-centralization.
Chaos may then be a by-product but, it is believed, this too is
functional since it allows innovation: competitive chaos is only ir-
rational and overly costly if, as Holden judged bureaucratic imperial-
ism, one assures a central policy mechanism capable of articulating a
single 'public interest.'[55] And such a belief is still denied as
strongly at local, as at national, level.

No regional agency or council, or evolving metropolitan governance,
can therefore enforce coordination. Thus bargaining--that is, politics,--
ensues. This problem of political structures, bargaining, and political
mobilization in the metropolitan area has not received as much
attention as the coordinative, adaptive, federal/local happenings of
recent years. Work done so far suggests that while _de facto_ regional
leadership is emerging as an inevitable outcome of such bargaining,
it will be a long time before the political parties and their organiza-
tions restructure their activities. In many ways, if fact, they may
decide not to do so: negotiations between fiefdoms could evolve as
effectively as the rest of the system of interrelationships. That this
would distort, or at least imperfectly represent, local opinion in the
metropolitan setting seems as yet best understood by minority groups.

But this would, of course, change precisely at the point at which the suburbs discovered that they had lost (or faced losing) their prime bargaining power--their veto.

This should not, however, lead to the conclusion that weak coordination, however evolutionary, is the best, because the most feasible, form of metropolitan governance. Because the ambiguities of weak coordination have been functional in the past is no guarantee that they will be functional in the future. If nothing is done to strengthen comprehensive planning, particularly in relation to land use, then metropolitan areas will continue as now to have a de facto (if largely invisible) governance but it is one which some see as greatly debilitating to local government. The only way to preserve local government (whatever we decide to call the area), Victor Jones has stated, is to give it the capacity to plan and control regional land use.[56] And, presumably, therefore, the framework in which human resource allocations are to be made. This is a large, and more than institutional, task since, as Zukosky insists, the attempt to improve metropolitan governance "is grounded at bottom in the moral imperative of the necessity for sharing power and resources."[57] And while 'mild chaos' may be functional in current internal metropolitan bargaining, ambiguity will not shield the collaborators for long if these 'moral imperatives' are really to become a matter of reasoned public debate.

The Atlernative to 'Evolution:' Invisible Power?

Support for strengthened interjurisdictional cooperation as the alternative,is still strong. It is argued that, since service contracting among authorities in an area is widespread then it can obviate

the need for special districts by offering services from one authority
to another along the lines of the Los Angeles County 'Lakewood Plan.'
That this produces invisible, irresponsible government is discussed:
the American political genius, particularly in matters of local concern,
are based squarely on the doctrine of muddling through, unless drastic
crises occur. "The muddling through theory," Arthur G. Will said in
1962, "means that the cooperative approach will continue to have wide
appeal and will spread even wider. . . ."[58] The events of the past
decade--federal intervention and the search for regional solutions--
would seem to have made this an outmoded view. But recent research
shows that, even with the emergence of COGs and the like, interjuris-
dictional agreements--largely confined to law enforcement and public
utilities--are a flourishing underworld of government.[59] And the genius
for muddling through by using interjurisdictional agreements may not
be functional: smaller cities retain their sovereignty (over what?) but
not only is areawide planning impeded but cities themselves become too
dependent on county officials' goodwill, which is hard to challenge.
This is administration, not government.

But the real alternative to the evolution of metropolitan Councils
of Governments, warns Victor Jones, is not a unitary metropolitan gov-
ernment but the creation of many more special districts and authorities,
and the survival of tough cities and counties willing to see this
continue.[60] The special district device may have been reinforced by
the reappointment issues. Mr. Justice Harlan, dissenting in the Avery
v Midland County decision, predicted it would have a "freezing" effect
on local, and particularly metropolitan, government.[61]

The continuation of special district proliferation would be viewed by many people as an unhappy perpetuation of an unsatisfactory situation, even if some rationalization could be introduced into the system and the present state and federal—and more than 'mild'—chaos could be reduced.

The 'problem' of special districts has been well known, and extensively documented, since John C. Bollens referred to special districts as the "new dark continent of American politics" nearly two decades ago.[62] A special district is, in essence, an agency of the state which performs functions within limited boundaries and which has a governing body which is independent of a city council or a county board of supervisors. Though school districts have been amalgamated in recent years, and there is also lively debate about States' expanding their use of multi-county districts and integrating this into a coherent form of field administration, the main concern is still with the single-county, single-purpose special district. The 'problem' arises from the burgeoning numbers of districts, their overlapping jurisdictions, and their heavy reliance on the property tax. As a result, governmental decision making becomes fragmented and uncoordinated. It also becomes politically 'invisible,' hard to control and to hold to account, and self-perpetuating. Critics see this as an erosion of traditional general purpose local government and one which it is almost impossible to reverse because, whatever the so-called 'problems,' special districts are in fact convenient in a real sense. Special districts seem to have been the only real alternatives to trying to restructure metropolitan government.

Special districts and special authorities, Victor Jones argued before a joint Senate and House Committee, are the principal

structural consequence of the involvement of state and federal
officials in local affairs. This arises from a situation where program
specialists find it agreeable and convenient to work with their counter-
parts. They do this because they do not want, in Victor Jones' words,
"to go to the trouble, or to run the risk, of having a general body,
with the responsibilities of weighing competing claims for many things,
induce general politics into their special politics and thus dilute
their special program objectives."[63] As a result, when federal or
state programs have been set up there has been a tendency to bypass
general politics by setting up such units.

The counterargument to this is that, although these difficulties
have undoubtedly been a problem in the past, the prime role of the
federal government in recent years has already had a powerful reinte-
grative effect. This needs to be treated with some care. Though
federal government has assumed a prime role in regional planning,
programming, coordination and institution-building, this by no means
precludes the ad hoc solution of special districts to the problems of
implementation. And while federal intervention has impelled regional
collaboration (in order to get federal funding), State intervention
is driving towards multi-county district systems--that is, to making
districting more viable, not reducing it. And if regionalism, under
the federal impulse of S.701, S.204 and A-95, remains collaborative
planning and review but with little priority--ordering, implementation
and veto power, then districts will remain powerful, autonomous units.
The coming battleground--if the parties decide that it is possible to
confront the problem at all--will be not merely the representation on,
and control of, regional councils or boards, but their relation to,

and veto powers over, single and multi-county special districts and
authorities.

Not everyone would agree with this relatively pessimistic outlook.
Special districts, especially if states' rationalize their systems and
federal agencies conform to theirs as far as possible, can be part of
a viable regional system. Federal A-95 and other provisions can, it
is hoped, now lead to consolidated regional planning in 'Umbrella Multi-
Jurisdictional Organizations' (UMJOS--an antiseptic, nonpolitical, but
nevertheless infelicitous phrase). The doubts still remain, however,
that while this could be an effective part of the federal funding
agencies for them) it would not be regional governance in which plan-
ning, review and implementation were effectively meshed together. A
view with which, it must be pointed out, the Advisory Commission on
Intergovernmental Relations disagrees. It states that it envisages a
'UMJO' composed mostly of local general government officials, which
would have policy control over all areawide planning, programming and
policy development programs in its region along with comparable
authority over the actions of multi-jurisdictional special districts.[64]

The UMJO would also have the capacity to resolve conflicts between
certain state agency and local government actions and regional plans.
It would be composed of at least three-fifths local government repre-
sentatives--and local governments would be compelled to become members.
A dual voting system (one-unit normally, but population-weighted on
occasions) would strike a balance between the different interests.
The UMJO would also act as the basic policy board for multi-jurisdic-
tional special districts, thus alleviating or removing the objections
I outlined above. The UMJO council would thus be assigned the

decisive policy-guiding, but not operating, roles over special districts and public authorities (basically through an expanded A-95 process). Though this approach would not be possible in all respects for inter-state councils (some metropolitan areas fall into the area of more than one state) much of the provisions could be implemented under revised federal-state-local compacts.[65]

ACIR also vigorously denies that its strategy is utopian. It is, rather, rooted in the real world of substate development. Regional councils with A-95 review and comment powers exist in 212 and 238 non-metropolitan areas. In forty states, two-thirds of the substate districts are organized (as opposed to merely being designated). The federal government is increasingly trying to rely on this districting organization in eight of its major programs. And four-fifths of the city and county officials sampled agreed that regional councils should perform the duties of 'umbrella' agencies, especially with regard to the activities of independent special districts.[66] A national policy, to provide a common framework, is necessary to guide and further these evolving relationships—clearly, ACIR believe that this is both feasible and that they have now themselves gone a long way to provide the foundation for such a national policy.

Thus, from this point of view, substantial developments are already in the making to turn the dysfunctional muddle of recent years back to Martin Grodzin's necessary and innovative 'mild chaos.' The network of governmental relations will be spelled out more clearly and less ambiguously, and this will help to genuinely revitalize the federal system.

A Revitalized Federalism

The thrust of the American political system has always been in both directions—central and local—and the search for centralized policy and planning (whether central or local) has always been matched by philosophical and pragmatic moves to enhance citizen·control (whether by countervailing powers or neighborhood communities). That this resulted in ambiguous structural, and political power, relationships, was acceptable. So too, it can be argued, the forces that are now making for change, in the age-old story of federalism are recognizable, the difficulties and chaos of change tolerable, and the outcomes more likely to be based in pragmatism rather than philosophy. Like other political systems, America can encompass 'muddle' and indeed the very multicentricity of the forces at work makes for more innovative adaptation to new needs. The public toleration of ambiguity and imperfection, it is argued, has a philosophical base in American liberal values: since people rarely looked to their local governments to optimize or maximize anything, they were, rather, both symbols and instruments of diversity and exclusiveness. Inevitably, therefore, a more comprehensive, larger policy mechanism did not exist and, just as inevitably, state and federal government moved into this policy vacuum.

The old-style federalism was primarily seen as a legal concept; new-style federalism is political and pragmatic, arguing neither in terms of the 'layer cake' nor the 'marble cake' of interrelationships but agreeing rather with M.J.C. Vile's description of federalism as a state of mind.[67] If, in the old style, federalism described almost a non-relationship between the federal and state governments, the new

style sees them locked together in a multi-faceted positive relationship of shared action.[68] This multifaceted relationship in practice, allied with a philosophy which rests essentially on "a state of mind," combines into a fruitful working whole in which ambiguity allows change to take place without such a philosophy, and its accompanying ambiguities, the federal system would have ossified.

In fact the system has evolved, says Michael D. Reagan, from the 'dual federalism' of the closing years of the last centruy, through 'cooperative federalism' of the middle years of his century, to Lyndon B. Johnson's 'creative federalism' and Richard M. Nixon's 'new federalism.' Reagan himself would like to add yet another concept to the list. Castigating 'new federalism' as romantic rhetoric which sought to return to the days when there were no national priorities--an abrogation of the national government's domestic role--he believes the system should now properly be called 'permissive federalism.' That is, a system of shared functions and shared powers under federal leadership and within the policy boundaries set by whatever priorities a national consensus is able to agree upon.[69] The difficulty with this is that it turns out to look suspiciously like a revised wording for the term 'politics:' it can no more define or delimit the separation of policy ('national') from implementation ('state and local') than older theories. And by believing that permissive will turn out to mean the same thing as consensus ignores the premise from which its own analysis is based: that administrative decentralization is only accountable when it operates within the boundaries of firmly developed policy.

From a more realistic point of view, therefore, it is best to see the system, as Daniel J. Elazar has delineated it, as one of contractual noncentralization, territorial democracy and multifaceted

partnership.[70] This system works through a matrix of governments who,
capitalizing on the federal spirit of noncentralization, exercise
their essential right <u>not to</u> act while at the same time working with
other governments in practice. Operations are, if fact, characterized
by a measure of disorder as part of the 'rules of the game' from which
all benefit.[71]

The unique property of the matrix of American federalism is
that its multiple centers force a form of interaction based on bargain-
ing or negotiated cooperation.[72] The anchors within the matrix are
the federal government, which sets the framework, and the states,
which provide the basic decisions and intergovernmental relations
maintain the integrities of governments while mobilizing the energy to
act. But this does not mean that all is consensus. The system is
too big to get coordination from the top—indeed, one of the driving
forces behind the 'new federalism' was the belief that power was so
diffused through the system that policy would first have to be central-
ized in order to decentralize again—and the old problem remains that
decisions have to be made somewhere. However, optimists believe that
the evolving federal relationships are potentially of great impact
both in setting national standards and in service delivery. Though
'coordination' does not simplify either relationships between institu-
tions nor the services they provide, it does help to make the system
work better. In a multi-centered, multi-layered political system it
both enables plans to be made and facilitates action. Just as decen-
tralization within the federal system is more feasible today as a
result of the Brown and Baker v Carr cases, so too coordination at the

areawide level has advanced beyond tokenism. As Lowdon Wingo puts it,
"metro in league with the federal government can become a key political
structure in a Really New Federalism."[73]

That this developing coordinative activity needs a stronger central
impetus in well recognized. As James L. Sundquist has stressed,
somewhere in the Executive Office of the President must be centered
"a concern for the structure of federalism--a responsibility for guid-
ing the evolution of the whole system of federal-state-local relations,
viewed for the first time as a _single_ system."[74] Nor is there any
lack of advice on the continued urgent need for the federal government
to put its own house in order: the lack of rationalization in the
federal government's field organization has been a major barrier to
more effective intergovernmental relations for decades.[75] Though the
federal departments and OMB are trying to rationalize the field organi-
zation and induce effective and comprehensible interagency collaboration
in the ten designated federal regions, local awareness varies widely
among state and local governments and many smaller local governments
remain ignorant of the role of federal Regional Councils in delivering
federal assistance.[76]

In spite of these difficulties, issues in the debate on federalism
now reflect the positive developments which have taken place within the
last decade. Revitalizing the federal system has been a concern of
governants, academics and others for some years. In the recent past,
however, the enquiry has been given an added momentum by the Nixon
Administration's advocation of the 'New Federalism' which would relax
overly-centralized federal direction and control by returning 'more
power to the people.' This is a periodic cry of all governments (and,

in particular, has been a feature of Conservative administrations in both Britain and the United States). It reflects a well-established feature of political systems of 'reform and retrenchment, concentration and reconcentration' which, Daniel J. Elazar believes, follows a cyclical pattern over a thirty-to-forty-year period.[77]

Not all aspects of the new federalism can be dealt with here—including the difficulties which opposing forces have placed in the way of its implementation. Nor can we discuss at length the important question of whether, and in what sense, local or state government is 'closer to' and more responsive to, the people in a democratic society—except to say that this is something to be debated, not merely automatically assumed—even given the basic values of autonomy, home-rule and local self-government. What is considered here—some problems of revenue sharing—arises as an example of that 'moral imperative,' of which we spoke earlier, to consider the field of human resource planning and thus of problems of equity.

Evolving Federalism—The Example of Revenue Sharing

Many claims have been made for the enactment, by Congress in October 1972, of the program to share federal revenues with state and local governments. It was labelled a fundamental change and one which, in the words of the New York Times, "updated federalism,"[78] or in the eyes of ACIR, gave a 'very definite tilt' in the balance of fiscal federalism.[79]

To date, of course, little in the way of a significant shift in the fiscal relationship has occurred, mainly because the actual monies

involved are as yet a small proportion of the total state and local

expenditure--annual shared revenue in 1970-71 was some 3 percent of

all state-local expenditure, or 5.6 percent of state-local tax

revenue[80]--and because plans for special review sharing (virtually a

revised 'block grant' system) are unimplemented. At the same time there

are fears that the real fiscal effect is not altering the balance of

federal-local relations but that the total public sector expenditure

will be smaller since General Revenue sharing will be used to cut taxes

and so the money need to meet current, as well as expanding, service

needs. In such criticism there is also, of course, an element of

political strife: Governors and Mayors, who had been strong supporters

of revenue sharing to increase federal monies for the hard-pressed

cities, quickly turned to vocal criticism of the new program when it

appeared not to produce significant new monies at all but rather a

redefinition of the burden.

In part, some of this difficulty was the result of a change in

the original idea of a fixed percentage of income tax going permanently

back to state and local governments which was changed by Congress into

a fixed appropriation for a five year period. These partisan fears--

and because of the fact that the cities were the most vocal disappointed

group--were not all. Doubts were also expressed over the targets of

the new system, and the methods of allocation. Though many people would

argue that it was specific city needs--public safety, welfare, housing,

jobs and transportation--which called for new federal money, the big,

worst-hit cities were not singled out for special treatment. The allo-

cation of monies was on a formula base, but one which relied primarily

on population. Thus, although a large city might receive more monies,

this was not related necessarily to need. Need was not the prime

factor in allocation; as ever, political necessity in the federal

bargaining arena meant that money 'went back' to all areas, regardless

of need. As has been observed, in some cases this meant that rich

communities were reimbursed with large sums while their more hard

pressed neighbours received less. The general conclusion was that,

given the 'global sum' of the set amount of general revenue sharing,

then the allocation of money to all local areas on a population basis

merely spread the money too thinly instead of concentrating it where

it was really needed. In one sense, some of the uncertainties of

federal funding through agencies working on a 'first come, first served'

basis until the appropriations ran out was now seemingly replaced by an

equally irrational and inequitous system.

Against this, however, the defenders of general revenue sharing

pointed out that general revenue sharing would strengthen the role of

local elected officials by giving them a greater freedom of choice

over how money should be spent on local services in accordance with

local priorities (or would do so in the future, when the proportion

of revenue sharing money became a significant part of the whole).

Revenue sharing would also, it was claimed, shift power from the exec-

utive to the legislative branch at state and local level, since state

legislatures, city councils and county commissions would decide how

the money was to be spent. This, Murray L. Weidenbaum, suggested,

would represent an important shift of power from executive to legis-

lative branches of government which paralleled the shift from federal

to local decision-making.[81]

One of the continued difficulties of such schemes is the actual
state of the economic situation and the expectations of people's likely
responses. In 1964, when Walter Heller and Joseph Pechman originally
suggested revenue sharing, the states and local governments were
thought to be facing severe financial difficulties which would need
substantial federal aid to avoid real crisis. But in the following
decade the federal government did worse, and the states better, than
expected--a situation which may now again have changed under the
impact of the 'energy crisis' of 1973-74. And, while federal grant-
in-aid matching requirements forced state contributions and efforts,
no such mechanisms are involved in revenue-sharing. Performance
standards can, of course, be written in, but currently there is in
fact the expectation that indirectly, revenue sharing money will be
used for reducing state or local taxes. It has been estimated that
the annual $5.5 billion of general revenue sharing will result in
increased state and local expenditures of about $2 to $3 billion with
the remainder devoted to tax reduction.[82] This also disguises the fact,
however, that this 'increased expenditure' will not be evenly spread:
the worse off cities will not be improving services but merely maintain-
ing them at current (adequate or inadequate) levels.

Such criticisms, it can be said, apply only to the short-term,
particularly if Congress can be persuaded to move from the fixed limit
to the original concept of a percentage of the personal income tax.
This would be much more elastic and has the inbuilt growth of natural
expansion as GNP rises without altering the rate of tax. Moreover,
the question of equity--the relation of revenue-sharing allocations to

needs--can effectively be dealt with if only the present legislative stalemate over special revenue sharing could be overcome. The formula base of special revenue sharing does allow for variations in need. Assistance under the Better Communities Act, for example, would have been determined by three factors: population, number of overcrowded housing units and--doubly weighted--a poverty factor based on the numbers of people below the poverty level.[83] Some argue that this still spreads the aid too thinly and that the poverty factor should have a higher weighting--and that more effective and enforceable requirements for performance evaluation have still to be worked out before special revenue sharing leads to sustained local activity rather than the substitution of federal for local effort.[84]

Special revenue sharing, however, should be distinguished from general revenue sharing--which in theory can alter federal-state-local relations be its fiscal realignment--since it is essentially a 'block grant' mechanism. As such its prime aim is consolidated of some 130 different categorical programs, and their funding into four (previously six) broad areas: education, manpower, law enforcement and urban community development (the 'Better Communities Act'). Such consolidation, if accompanied by rationalization (and expedition) of federal application and review procedures, would be a considerable step forward in the attempts to reduce 'chaos' to more viable proportions. Currently, however, attempts at special revenue sharing in education have been abandoned in order to pass other pressing legislation on educational funding and also in manpower (see Part 1 of this discussion). The Better Communities Act still awaits enactment and the signs are not too

favorable in law enforcement, where the previous consolidation achieve-
ments of The Omnibus Crime Control and Safe Streets Act of 1968 may be
undone by Congress. The old problem--fear that consolidation precludes
Congressional requirement and evaluation of programs--remains the
prime stumbling block, since revenue sharing funds are tied to appro-
priation action by Congress, not to an automatic tax source.

The arguments for grant consolidation are that it not only
approaches problems in a more comprehensive manner but that it breaks
up the narrow bureaucratic fiefdoms of functional specialists, can
promote areawide as well as program-wide planning and increases local
popular (i.e., democratic) control. But there are formidable barriers
to this rationality. One is that though 'pass through' provisions
would allocate federal money to the localities, states would still have
the elements of a _de facto_ veto power over the cities since current
legislative proposals require accountability to be exercised by the
states (as well as through streamlined federal audit and review). The
states would have the responsibility for approving local and areawide
plan submission procedures and for developing a statewide plan.[85]

Another continuing difficulty is how special revenue sharing pro-
cedures and programs would be fitted into areawide planning and coordin-
ation. Currently, the special revenue sharing proposals do not cover
three vital issues: the relations between a state general planning
agency and units set up to handle SRS planning; the relation of
functional planning and SRS plans; and between state and local planning
efforts and those programs still remaining outside SRS.[86] Clearly, the
fear is that chaos will still reappear.

But although the 'whole package' of both GRS and SRS were needed,
it was said, to realign federal-local relations in the fiscal and
power-sharing fields, the philosophical doubts over decentralization
were mainly concerned with the former. While some could argue that
revenue sharing was in fact part of the continuing American philosoph-
ical debate about the centralization, others doubted the pragmatic claims
that specialized treatment of the disadvantaged through "side games" of
the model cities--CAA approach should now give way to the aim of giving
poor and minorities leverage within the mainstream of urban government.
Others believed that revenue sharing, far from being innovative in
tendency, served to prop up the status quo--guaranteeing the survival
of the fragmented structure of local government,[87] obviating against
the drive for 'metropolitanization' of functions, and leaving central
cities weak against strong suburban and state forces. Nor does it, in
spite of the claims made for it, do much to mitigate the nonredistribu-
tive effects of specific grant-in-aid funding (unless more dramatic
equalization formulae are to be written in).

The "national urban policy," long called for by D.P. Moynihan and
others, will not emerge from philosophies of revenue sharing. Similar-
ly, the belief that urban decision making will be returned to the cities
is tenuous, since the basic dilemma of revenue sharing--attempting to
remove federal controls while retaining national purposes and goals--
remains. Eugene C. Lee suggests that revenue sharing would add "yet
another set of state and national pressures" as to who is to control
the delivery of services in metropolitan regions.[88] This would, of course,
be contrary to the averred rationale of introducing the mechanism.

Without necessarily agreeing with Edward C. Banfield's assertion that the "imminent bankruptcy" of American cities was a non-issue in the analysis of revenue sharing, one can see the force of his argument that this was primarily a political problem of reform, needs, and the amount and kind of redistribution that was feasible in the system.[89] Currently, many observers believe that it is politically impossible to create regional organizations that can effectively redistribute regional revenue to meet regional needs; if federal 'carrot and stick' procedures of matching, etc. are to be removed in the fiscal field, then much more planning and redistributive efforts will be needed from state governments. States may have the potential leverage, but they as yet lack political will to substitute for federal overview in these matters. And, without a national tax-credit or Family Assistance Plan of some kind, revenue sharing will not help the redistribution to needs problem. The large question of redistribution and equity under 'the new federalism of revenue-sharing—that decentralization of power may impede, not help, solutions of these questions—is hard to judge. Banfield believes that while the short-run effect of decentralization of power may be inequity this is probably only temporary.[90]

What are the alternatives? Some observers believe more weight should be given to federal incentives—planning and implementation grants, specification of adequate organizational mechanisms—while the federal government assumes responsibility of all public assistance and related costs. At the same time, state-local tax systems should be reformed, a state income tax be widened, and tax credits be given for such state income taxes. The states would, in this way, gain access

to the elasticity of income tax sources and have to rely less on regressive property and sales taxes. In effect this would release federal money (since the federal government would be 'foregoing' that part of the income tax) in a more sensible way than current revenue sharing. Currently, that general revenue sharing is not well-designed, as James L. Sundquist summed up much public administration professional opinion, "to overcome the strains and weaknesses in the federal system."[91]

Optimists and Pessimists

Critics of attempts at metropolitan reforms—and reformers—is as trenchant as the previous criticisms of the city and its physician-theorists. Norton E. Long says that if we look at the politics of metropolitan reform it seems very anemic and offers scant promise" of producing the major social change the proponents of reform envisage."[92] There have been many theories but little observation; there is no developed rationale for choosing, say, between Metropolitan Toronto and the Lakewood plan.[93] And it is still believed that fragmentation is not fortuitous but a principle of the system and its values which little can change. As a result critics tend to retreat either into optimism or pessimism. The optimists see the solution in a greater political will to move programs forward; they believe more money will solve most if not all problems with no need for radical structural changes. The pessimists see the problem as a crisis which only drastic structural changes, or imposed "federalization" of programs, can solve—if then. Again, while optimists see hope in local decentralization into the neighborhoods and believe that problems of governance can be allev-iated through revitalized citizen representation, the pessimists see

only the inherent contradicitons of democratic control. If power is

concentrated to do things then people can have little influence on

what is done: the two are mutually exclusive. But that in any case

is merely academic; many would argue, with Stephen M. David and Paul

E. Peterson, that in fact neither effective government nor citizen

participation is being achieved.[97] And while decisions are made _in_

metropolitan areas, no-one makes decisions _for_ metropolitan areas; in

the meantime islands of functional power both serve to perpetuate

inequalities and sabotage reform.

Edward C. Banfield, in his The Unheavenly City and other writings,

takes a more robust view. Properly speaking, there is no "crisis" in

urban affairs and, though problems undoubtedly exist these will be

mitigated by the evolutionary change within cities themselves, not by

massive attempts at manipulation by reformers or by federal interven-

tion. Change will come naturally as social mobility and increased

affluence allow the public-regarding ethos of more altruistic social

groups to flourish and the role of self-interest, of private-regarding-

ness, to diminish.

Those who err on the side of optimism tend to agree with Banfield

and Grodzins' contention that, though there is clearly a belief that

to have many governing units within one area is somehow wasteful, it

is still not clear why reorganization is thought to be necessary.

Many of the so-called arguments are less than compelling. The essential

criteria is largely that of acceptability: as the relevant publics

decide what metropolitan-side "need" is, so governmental structures will

change.[95] This seems too sanguine a view. For all the fragmentation,

citizens still seem to have limited chances to shape governmental action. Fragmentation is baffling and this is not a matter of mere inconvenience: officeholders can feel safe in the invisibility. It is true that not all citizens want to participate all the time but they do want their interests represented and their governors to be responsive. Nor is it true to believe that reforms will necessarily follow a path of beneficent gradualism. The action and reaction of machine politics and the reform movement shaped the current structure; and the legacy of past reform, in which rational management and responsible leadership was to triumph, has been limited participation and fragmented governmental authority.

But problems of values go deeper than this. To achieve some changes, there is a need for more than structural revision, procedural fairness and administrative humanism. There is a need for a change in public values, specifically, Theodore J. Lowi suggests, in the supreme value of interest-group liberalism.[96] Such demands are hard to meet. American liberalism has always stressed procedural more than substantive goals. Those who plea for more attention to be given to substantive democracy may receive little more than polite attention. And the voices of people like Theodore Lowi and James Burns are muted, says William L. Morrow, "by the clamor of those who defend delay, obstruction, and incrementalism in the name of process democracy."[97]

Even without these philosophical difficulties, the problems of metropolitanism and of the federal system are deep-rooted. Here the pessimists are surely right to believe, as Lowi does with regard to the dichotomy of the federal versus the unitary principle in metro-

politan areas, that what is feasible is ineffective and what is effec-
tive is not feasible.[98] And one must agree with Senator Edmund Muskie
that intergovernmental relations is really another branch of government
in itself and one where, as Harold Seidman notes, professional guilds,
with a vested interest in the status quo, basically determine policy--
and many of them want programs to remain in Washington.[99]

The issue of intergovernmental relations, once perhaps marked by
hopeful inquiry, has other worrying features. The complexity of govern-
mental relations can no longer be seen as a conflict-cooperation model,
however fruitful. And Morley Segal and A. Lee Fritschler believe that
most modern scholars take the position that the relatively small amount
of 'mild chaos' described by Grodzins has now increased to a point
where it threatens not only individual programs but the federal system
itself.[100] People are also less likely to side with Grodzins' sanguine
view that there were numerous breakthrough points in the federal system
at which the individual could influence public policy, though they
would still probably believe, with Federalist 10, that multiple, over-
lapping and shifting conflicts prevent more permanent fissures.

To tread safely between the optimists and the pessimists is
hazardous, and inevitably calls up charges of compromise or--even
worse--complacency. Taking this risk, however, it is still worth
repeating that what is needed is government which is understandable,
responsive, and effective. Effective service delivery plus genuine
popular control through representation and participation is still a
goal, and a set of values, rather than a set of procedures. Victor
Jones' reminder that while local government is tough in surviving it

is potentially weak in surviving in order to rule over anything, gets
to the heart of the problem. The theoretical base of local government--
justice, democracy, effectiveness, security and community--must be seen
against a pattern of _interlocking_ relationships. The crucial problem
in metropolitan areas, for example, is that of the structural linkages
among governments.[101] Unless these linkages are clearly expressed
through (directly and indirectly) elected bodies, responsible and
responsive to citizens (and armed with additional devices such as
ombudsmen) then local government will cease to be legitimate arena
for the resolution of conflict and instead be converted, in Victor
Jones' words, "into an engine to stifle dissent and to manage conform-
ity. It would then cease to be a general government and become in
fact a very special kind of special authority."[102]

Conclusion

Adjustments in the American system of government have been made,
in practice, neither by redesigning the areas nor reallocating the
functions but by devising means of developing horizontal and vertical
cooperative relationships between existing units. And the more that
cooperative techniques are perfected, then the less pressure there is
to reform the structure. The citizens' criteria of effectiveness, on
the other hand, remains largely what it was when James L. Fesler
analyzed area and function a quarter of a century ago. That is,
citizens want services carried out by the level of government which can
perform them effectively and efficiently; where different levels share
functions then there should be adequate means of collaboration; multiple
layers of government should be comprehensible or else democratic control

is a mere sham; and where layers of government have outgrown their use-fulness they should be changed.[103]

But, it can still be asked, is there any likelihood of an agreed system to decide priorities on substantive issues as well as procedural ones? In the past, pluralistic bargaining has been seen as a just means of achieving equilibrium. This is now questioned; equilibrium is no longer equated with social justice and there is a parallel con-cern with the need to establish, in Theodore Lowi's words, 'authorita-tive authority.' Our demands change in other ways also. We change our expectations of what organizations should do--'the recipe for the gov-ernmental marble cake keeps changing'--and yesterday's local problem becomes today's national problem.[104]

The difficulty is that the checklist of a renewed system is the definition of politics itself: policy, implementation, representation, authority, accountability, responsiveness, power. More fruitful, perhaps, is the need to talk of the pressing issues of power and con-flict. As Lewis Coser emphasizes, societies are maintained not only through consensus but through conflict; conflict is functional to the system.[105] But, in this sense, ambiguity is dysfunctional since blur-ring the lines of conflict will neither avert it nor substitute a meaningful consensus for it. And, even in the current developments of governmental relationships, tension and conflict spark change. For example, the strain now placed on COGs as a result of federal expecta-tions of their planning and reviewing role will, Mogulof believes, either speed their evolution to more powerful regional forms or contribute to their demise.[106] But while tension and conflict can be useful in

resolving--or at least clarifying--issues, chaos is not. It now serves

to cloud issues which need--and can stand--public debate. Clear

definition of issues, and public debate, are also needed to prevent that

mere tokenism--that "classic device for taking advantage of ambiguity

and for conveying a false sense of reassurance"--by which governments

are likely to respond to demands as Murray Edelman reminds us.[107]

Parallel to the support which is sometimes heard for an approach

to issues based on the theory of muddling through is the advocacy of

'benign neglect' as beneficial. But it is probably too late to per-

suade citizens that it is beneficial; such an approach then exacer-

bates the problem. Similarly, suggestions that social reforms can be

pursued through 'creative imbalance' may in practice turn out to be

circulatory and stalemate rather than linear progress. If reform

movements tend to be circular, "continually redressing the balance by

returning to preoccupations against which the last reform was itself a

reaction," as Peter Morris and Martin Rein put it, then stalemate prevails.[108]

Ambiguity, like 'creative imbalance,' is dysfunctional in large complex

systems which are more than mere devices for continuation but also seek

new goals and innovative changes. But large complex systems, unless

means are found for minimizing ambiguity, are "counterintuitive," as

Jay W. Forrester puts it. That is, decisions are faulty and counter-

productive, intensifying problems rather than producing a solution.[109]

Then muddling through becomes just muddle.

But this should not be thought of as inevitable. Ambiguity and

chaos can be reduced by the current debate on the two perennial bases

of democratic government based on territorial communities: the manage-

ment of conflict, and the authoritative allocation of values. The man-

agement of conflict requires an arena of representative government,

and legitimated authority, in order to govern. The authoritative
allocation of values requires, in addition to representative and
responsive leaders, a structure through which decisions can be made
and implemented. And it may be that the mood is changing, that there
is now a political constituency with a concern for wider urban problems
and their democratic resolution. Social scientists can often, unwit-
tingly, become prophets of that which has already passed. As Alan K.
Campbell reminds us, social scientists are almost inevitably conserva-
tive. "By analyzing the forces at play at any given moment, a
semblance of inevitability emerges." With current tools of analysis,
therefore, it tends to be difficult if not impossible to detect many
of the forces working towards change until after the event.[110]

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