Governance Structures and Problem-Solving in Metropolitan Areas: Responding to (Downsian) Growth-Related Problems

Ronald J. Oakerson
Houghton College

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I

Metropolitan areas in the United States are characterized by complex governance structures. The complexity has emerged over time, a product of continuing interaction between the constitutional rules that allow citizens to create a variety of local government units and the nature of the problems that have arisen in the metropolis. Most of the multiple units of government found in metropolitan areas were created in response to discrete problems. They represent institutional solutions to continuing problems—ongoing ways of coordinating and focusing both attention and resources on recurrent tasks. Local problem-solving has not, however, been equally successful throughout the metropolis. Some institutional solutions have become institutional failures, exacerbating the problems they were intended to solve. In addition, population growth, together with technological and economic development, have generated a stream of new problems, creating new challenges to the institutional trade-offs inherent in previous problem-solving efforts.

Among scholars, the study of metropolitan areas and the analysis of metropolitan problems continue to be highly controversial. Members of one school of thought—a consolidationist school now reinvented as a regionalist school—tend to see themselves as the only true metropolitan problem-solvers, the legitimate heirs of the Progressive Movement. They tend to view their intellectual adversaries as defenders of an outdated conservatism—relics of a nineteenth-century laissez-faire mentality now applied to the metropolis. Perhaps when we speak of a “market model” of metropolitan organization—one that automatically generates preferred outcomes without a need for explicit public problem-solving—we too easily fit the stereotype applied by consolidationists and regionalists to all supporters of the fragmented metropolis. Metropolitan governance structures can and should be understood, I will argue, in problem-solving terms—as an emergent, adaptive response to a variety of problems encountered over time. The challenge is to deal with new problems in adaptive ways—ways that recognize the legitimacy of previous institutional solutions and the problems they continue to address. The effort is one
worthy of the “progressive” label.

II

Articulating a growing sense of crisis in metropolitan America, Anthony Downs (1994) argues that the present metropolis reflects a failed vision and that a new vision is needed to chart a better future and guide present decisions. His work provides a handy guide to a wide range of policy issues related to growth-associated problems in metropolitan areas. In his analysis, however, Downs adopts the perspective of a central planner, one who can directly intervene in a community in order to shape ordered relationships among its members, in this case, the members of a metropolitan community. From the central planner’s perspective, a metropolitan area presents an intellectual puzzle to be solved. Once a solution is conceived, it remains only to embrace and to implement it, subject to political constraints. Downs explicitly takes this point of view even in the absence of central-planning authority. After reviewing a series of possible strategies for dealing with problems of growth, he comments as follows:

The very idea of setting priorities among possible tactics implies that some agency exists that can make such decisions. To do so, the agency must have a consistent set of preferences, the ability to predict the likely outcomes of various actions, the capacity to assign priorities, and a powerful influence on what actions are in fact carried out. No such entity exists in U.S. metropolitan areas, or in the federal government, or even within individual city governments. Nevertheless, it is useful to conceive of setting priorities from some overall perspective in order to make judgments about the efficacy of possible policy mixes, whoever controls them. Therefore this analysis assume priorities are being assigned by a hypothetical agency with both a national perspective and a metropolitan area perspective (Downs 1994: 113-114).

Having considered growth-related problems from this perspective, Downs subjects alternative policy solutions to a test of political feasibility. Existing metropolitan institutions are--with few exceptions--viewed as political obstacles to the development and implementation of coherent policies. Problem solvers work within them only to the extent that it is politically infeasible to do otherwise. “[U]nless,” he writes, “the effects of fragmented government structures are effectively counteracted. . ., growth-related problems. . .cannot be significantly remedied” (Downs 1994: 30). The central task, as Downs sees it, is to create a new dominant vision of metropolitan living. Such a singular vision can only be implemented by a central planning agency that has embraced the correct vision and is empowered to apply it to all aspects of metropolitan development throughout the metropolitan area.

Downs’ approach is usefully contrasted to that followed by Aaron Wildavsky (1979), who was much preoccupied with the development of alternatives to the central-planning perspective.
The sharpest distinction in policy analysis, he wrote, lies not between economics and politics but between (1) placing a primary reliance on solving problems as intellectual puzzles, working them out in the confines of a single mind, then seeking to impose those solutions on others and (2) utilizing patterns of interaction among people as political actors to work out commonly acceptable solutions to jointly experienced problems (Wildavsky 1979: 11-12). The first view sees policy analysis mainly as an intellectual activity, subject to external constraints of political feasibility. The second view sees policy analysis as primarily an interactive process, whether economic or political or both, drawing on specialized intellectual efforts as a source of knowledge and ideas. Intellectual puzzle-solving can be conceived as an aid to interaction, but not as a substitute for it. In a political system that is highly interactive, such as found in U.S. metropolitan areas, the challenge for a policy analyst is to figure out how to do analysis in a way that assists the process of interaction, rather than seeking to displace it. Vincent Ostrom (1973, 1989) has elaborated at length concerning the design of governmental institutions that facilitate public problem-solving, thus reinforcing a problem-solving culture, as opposed to institutions that suppress public problem-solving by creating monopolies of governmental power.

III

The governance structures that characterize metropolitan areas in the U.S. have been created for the express purpose of problem-solving. They are best viewed as problem-solving structures, not simply as obstacles for problem-solvers to overcome. In order to understand metropolitan governance structures in these terms, it is important to distinguish among their various dimensions:

C One dimension distinguishes analytically between two levels of decision-making. At one level, citizens and other decision-makers make choices that constitute various units of government as well as other organizational and interorganizational arrangements within a metropolitan area. The first level is nested within a second level, at which decision-makers make, apply, and enforce the rules by which units of government and public agencies are constituted at the first level. The second level has an indirect effect on metropolitan organization, one exerted though state statutes and state constitutional provisions together with state court decisions; the first level directly produces the complex configuration of government units found in most metropolitan areas. State legislatures began to differentiate between these two different levels of decision-making with the introduction of general enabling statutes to govern the process of municipal incorporation in the Nineteenth Century (see Teaford 1979). Today, complex “local-government constitutions” (Oakerson and Parks 1989) composed of voluminous statutory and constitutional provisions, provide an elaborate legal framework for metropolitan governance. By sorting decision-making into the two levels, decision-makers at both levels gain increased leverage over problems. Level-1 decision-makers can use the rules made in level-2 to respond to discrete problems in ways that take account of specific time-and-place circumstances as well as local preferences. Level-2 decision-makers can respond to the outcomes generated by level-1 by changing the rules within which level-1 decision-makers operate, reshaping the decisions to be made at level-1 by modifying the
rules made at level-2. One important implication is that the rule-making capabilities of level-2 provide a means of *metropolitan governance* without recourse to a *metropolitan government* at level-1 (see Oakerson 1999).

C Another dimension distinguishes between government and civil society as contributors to the process of governance. Governments, in this conception, do not govern; rather, governance is a product of the interaction between government and civil society. The *governance structure* of a metropolitan area is formed by a configuration of governmental and non-governmental organizations (Parks and Oakerson 1993). Although both civil society and government are instruments of collective action, they differ in a crucial respect. ‘Civil society’ consists of all those relationships formed by willing consent among parties, whether the parties are individuals or organizations. ‘Government’ refers to the set of relationships formed by relaxing (to varying degrees) the rule of willing consent. Alternative governmental configurations, however, result in quite different relationships between civil society and government. The governance structures of central cities in general present a sharp contrast to the governance structures of suburban areas. Each is characterized by a distinctive style of politics, as well. Metropolitanwide, civil society is constituted mainly by voluntary associations of local governments and local officials—municipal leagues plus associations of police chiefs, fire chiefs, and so forth—in addition to civic leagues, i.e., secondary associations formed by primary associations. Frequently, civil society forms a bridge between level-1 and level-2 decision-making (above). Much the same set of political actors can be involved in shaping decisions at both levels, while acting on the basis of different collective decision-rules. Level-2 decisions usually require formal action by the state legislature; level-1 decisions depend usually on action by local citizens. State legislation affecting a given locality, however, ordinarily depends politically on prior discussion and agreement within the local civil society.

C Still another dimension distinguishes between the provision and production of local public goods and services. ‘Provision’ refers to decisions that articulate and aggregate demand, including a demand for the public regulation of private behavior, while ‘production’ refers to decisions that proportion and combine diverse resources to produce a product or render a service (Ostrom, Tiebout, and Warren 1961; Oakerson 1999). Provision and production are carried out according to highly variant criteria. What matters on the provision side is responsiveness to preferences matched by willingness and ability to pay; what matters on the production side is technical efficiency, often achieved by attaining an appropriate economy of scale. When provision and production are organized separately (i.e., carried out by different organizations), they can be linked in various ways, including contracting, franchising, and vouchering. If local communities are free to organize provision units independent of production criteria and then connect to production in one or another manner, the organization of metropolitan areas resembles “local public economies” with a differently organized provision-side and production-side (Oakerson 1999). Such an approach better enables the metropolis to serve both provision and production criteria.
C On the provision side, distinctions can be made among problems that require action at varying scales of organization, where “scale” is understood primarily in spatial or territorial terms. Small-scale problems can be effectively tended to by small-scale provision units. Large-scale problems require large-scale provision units or arrangements that allow for joint provision among multiple provision units. Because local public problems tend to come in various sizes and shapes, provision units tend to be nested, one inside the other, creating what are often called overlapping jurisdictions (overlapping territorially). The existence of nested provision units are a recognition of and response to the variety characteristic of local public problems. Similar nested arrangements occur on the production side.

Metropolitan governance structures emerged over time in response to a stream of recurrent problems that require continuing responses (see Teaford 1979, 1997). Problem-solving is one of the hallmarks of the complex governance structures found in U.S. metropolitan areas. Reshaping the configuration of metro-area governmental organization so as to address growth-related problems is simply another adjustment to another problem--though I do not want to imply that such adjustments will be easy to obtain or simple in design.

IV

Downs argues that metropolitan areas face a choice among alternative land-use patterns. He identifies four principal alternatives: (1) unlimited low-density growth, (2) limited-spread, mixed density growth, (3) new communities and green belts, and (4) bounded high-density growth (Downs 1994: 136-141). The four alternatives are spread along a continuum. The first alternative would continue the status quo; in Downs’ view it reflects an unbridled individualism, which is “prevalent among middle- and upper-income groups” (Downs 1979: 141), exhibiting little or no regard for social consequences. The fourth alternative seems to be Downs’ first preference; he characterizes it as a “communitarian” option, one that would entail

living in higher-density housing, including many multifamily clusters, using public transit or ride sharing or walking, working in establishments clustered together in high-density nodes, living under the authority of some type of regional governance controlling land use patterns, and providing housing for low-income people throughout the metropolitan area, including many subsidized units. (Downs 1994: 141)

The second and third alternatives represent middle-of-the-road options, choices that may be the best society can do given the limits of political feasibility. Some sort of central authority is required, however, simply to choose among the alternatives. “[M]ost [metropolitan] residents,” Downs writes,
must be willing to have society make a deliberate choice about what growth strategy ought to be followed, rather than leaving development to market forces and other seemingly unplanned influences. (Downs 1994: 183)

Only a central authority able to overcome the fragmentation of metropolitan governance can make such a comprehensive choice in behalf of a metropolitan area.

Downs’ underlying thesis is that alternative growth patterns have alternative, metro-wide consequences and, more specifically, that low-density development decisions have high social costs for the entire metropolitan area. Greater commuting distances, resulting traffic congestion, loss of open space, and higher infrastructure costs are among the major consequences (Downs 1994: 26-29). His argument is based on what is often called the tyranny of small decisions. Because most land-use regulation occurs within relatively small municipal jurisdictions, while the scale of the problem is metropolitanwide, municipalities in the aggregate make decisions that affect everyone in the metropolis adversely over the long run--some more adversely than others. Metropolitan-level decision-making is required, therefore, to match the scale of the problem. In Downs’ ideal world, a single metropolitan government would be available to address this problem; but Downs is no idealist, and he sets the ideal solution aside as politically infeasible (Downs 1994: 132, 170). Although this conclusion commits him to working within the framework of existing governance structures, making marginal adjustments to accommodate the problems he identifies, Downs nonetheless persists in using the perspective of a central planner, pursuing this question: given existing political constraints, how far can central planning be carried?

All three of Downs’ alternatives to unlimited low-density growth require ways to limit the incidence of scattered, low-density residential and commercial development, as well as to constrain the use of private automobiles for solo commuting. One policy technique that Downs finds potentially useful for limiting low-density development is an “urban growth boundary” (Downs 1994: 126-128, 153-155, 197). On one side of the boundary (nearest a central city), growth is permitted by law (at minimum densities) and encouraged through public financing of infrastructure. On the other side of the boundary (away from a central city), growth is restricted by law and discouraged by requiring private financing of infrastructure. Urban growth boundaries obviously require a central planning authority with power to define the boundary, allocate development rights on either side, and dominate decisions pertaining to the financing of infrastructure. Outside the boundary, Downs further suggests the possibility of permitting development only at designated high-density nodes (Downs 1994: 126). This too requires a central authority to allocate development rights and override more localized decisions by municipalities. Downs recognizes the connections and interdependencies among decisions that allocate development rights, finance infrastructure, and raise local revenues based on land-uses and land-values. All become pieces of a puzzle that requires a central solution, one cutting across a wide range of local-government decisions.

Searching for the institutional means to centralize a range of decisions related to growth,
Downs considers three main possibilities: (1) a special-purpose metropolitan development agency, locally created and locally elected, with strong powers over land-use and infrastructure development; (2) a regional allocation agency, mandated by Congress, to receive and distribute nearly all federal aid coming into the metro-area; and (3) a state agency with strong supervisory powers over local land-use regulations and decisions (Downs 1994: 173-182). Downs is pessimistic about the political feasibility of the first alternative, given existing metropolitan fragmentation; the latter two alternatives, he believes, have greater potential in most metropolitan areas (Downs 1994: 182). Note that both of the latter alternatives rest on policy initiatives external to the metropolitan area and rely heavily on external leverage or coercion. By controlling the distribution of federal funds, a regional allocation agency could not only direct infrastructure investment to specific parts of the metro-area but also exercise considerable influence over development-related decisions by potential grant recipients. Downs suggests that a state agency be given powers to review local land-use regulations and decisions, including the power to withhold approval from those not in conformity with state-directed land-use policies (Downs 1994: 180-181). Local authorities would lose much of their autonomy in land-use policymaking.

The central question I want to address is whether growth-related problems can be appropriately addressed in ways that extend and adapt traditional metropolitan governance structures to those problems. Below, I suggest a hypothetical approach that conceivably could emerge from a typical metropolitan governance structure, given a widespread recognition of the growth-related problems Downs identifies. For the purpose of this discussion, I accept Downs' specification of the set of growth-related problems that metro-areas face, as well as his analysis of the basic cause-effect relationships that underlie those problems. Rather than adopt the perspective of a central planner, however, I consider what institutional arrangements might be devised by (or be acceptable to) the diverse communities of a self-governing metropolitan area, given a typical metropolitan governance structure and a Downsian set of growth-related problems. Instead of asking how far we can take central planning, I ask how we might utilize and extend existing governance structures to tackle growth-related problems.

Downs may give up too easily on a metropolitan development district created at local initiative and with local consent. Suppose that state law authorizes metropolitan voters to create a metropolitan development district with powers that would include:

C  Tax-zoning: the power to tax new commercial and residential developments based their location within designated tax-zones. The development district would create tax-zones based on a formula that would include (1) distance from established, high-density commercial or residential areas and (2) the square feet of land used for the development. Development within each zone would be taxed accordingly, collected either up-front or spread over a fixed period, with different rates for commercial, industrial, and residential developments of various types. Instead of permitting or not permitting particular land uses within various districts, tax-zoning would in effect price land-developments based on
their location. Tax-zones would simply be superimposed over existing municipal land-use controls, including zoning, which could remain intact. Periodically, tax-zones would be revised to reflect changing land-use patterns.

C Other revenue powers: in addition to tax-zone revenues, the district would be authorized to levy a metropolitan property tax within some statutory limit. A commercial sales tax would also be a possibility. This would allow the district to allocate the burden for providing trunk-line infrastructure (see below) between old and new developments.

C Infrastructure funds: revenues would be earmarked for various infrastructure development funds: arterial roads, mass transit, and “trunk lines” of all sorts, plus neighborhood redevelopment. Some would be grant funds, while others would be revolving funds.

C Inter-local agreements: the district would also be authorized to enter into intergovernmental agreements with municipalities that would trade infrastructure development grant funds for land-use concessions, such as the siting of less desirable land-uses or a relaxation of building standards to permit more low-income housing. Such intergovernmental agreements would become judicially enforceable.

The district’s governing board would be elected from voting districts either established for this purpose or, perhaps, piggy-backed on state legislative districts. Some members could also be appointed to represented existing units of government or serve ex officio. The board would appoint the district’s executive director, within statutory guidelines.

Instead of being imposed by external authority, a metropolitan development district would emerge from the deliberations of the metropolitan civil society—that is, from associations of local governments and officials as well as various civic associations and leagues of associations. Its performance would continue to be monitored by them as well. A locally created district would be accountable mainly to the local civil society, rather than to state or federal officials. A caveat: especially in the larger metropolitan areas, it might be convenient to create a development district that includes only part of a metropolitan area, perhaps its central city and county. Where the central county includes the central city, the county’s boundaries are often useful for defining a metropolitan civil society. More peripheral counties might also create districts, which could be tied in limited ways to a core district.

This is an approach consistent with the institutional solutions previously devised to address other problems considered to be metro-wide, including transportation, special education, large-scale recreational facilities, and sometimes water supply and waste-water treatment. Each of these problems has frequently been addressed by means of overlying special-purpose districts that add significant components to municipal-level provision without displacing the municipal level (see Oakerson 1999). Metropolitan transportation authorities, for example, leave municipal street responsibilities largely untouched. Regional provision for special education or waste-water treatment leaves in place existing small-scale provision units--school districts, sewer districts,
municipalities. Similarly, a regional development district that uses a tax mechanism to allocate incentives and disincentives among residential and commercial developments can simply be added to existing planning and zoning authority at the municipal level without displacing it. Municipal planning and zoning agencies can continue to deal with the ‘neighborhood effects’ that they were designed mainly to address. Modifications to municipal policies that have significant social costs outside the municipality can be negotiated between municipalities and the metropolitan development district rather than imposed by a central agency with authority to over-ride the locals. Only large-scale, trunk-line infrastructure would be financed through the metropolitan development district; other infrastructure would be funded locally or privately, irrespective of its location, with the limited exception of neighborhood redevelopment.

The powers given to the proposed development district avoid more inflexible and more coercive measures, such as urban growth boundaries. Selecting the appropriate urban growth boundary is difficult and highly controversial; no such boundary can possibly be equitable in its treatment of landowners and local communities. Too much also depends on central decision-makers who face daunting information requirements, not the least of which is information about consumer preferences. How can a central planning agency know what trade-offs people are willing to make between traffic congestion and the size of their backyard? Downs suggests that Americans need a vision of the future metropolis that eschews detached housing in favor of multifamily structures--due in great part to commuting time and traffic congestion. How can a central planner know the trade-offs that individual households would make, one for the other? Many people seem to like detached houses as much or more than they dislike traffic jams, and they are obviously willing to commute fairly long distances to get what they want by way of housing. No one can guarantee that even a majority of households would consider themselves better off in a new, “re-envisioned” metropolis.

Perhaps what metropolitan residents need is not only a new “vision” but also a better pricing system. Downs’ analysis implies that development land is underpriced--otherwise it would be too costly to build lavish office complexes that use acres of open space for landscaping that creates large buffers from streets and other developments. The less centralized alternative to central direction is to raise the price. Of course, establishing an administered price schedule also depends on information. The pricing strategy followed by a regional development district, however, could simply aim at a reasonable balance between new growth and projected infrastructure needs. If growth outpaces infrastructure, the price should go up; if growth lags and there is excess capacity in infrastructure, the price can go down. The key is to leave developers and entrepreneurs free to make locational decisions--and municipalities free to make decisions about the composition of development within their own communities--subject to a price constraint that takes social costs into account.

Downs and others are attracted to the idea of developing “new communities” or “new towns” in metro-areas. Downs treats the development of new communities as a planning problem, however, one solved with reference to the discretion of a central planner. Alternatively, we can consider the possible institutional arrangements for the development and governance of
new towns. The current pattern of development generally depends on a single large developer, who develops a housing tract, shopping mall, office complex, or industrial park. This is a pattern that clearly fosters the scattering of development and separation of diverse land uses that Downs and others deplore. New towns would allow developers to capture the economic return from higher densities, as the property value of each parcel is enhanced by the proximity of other uses; but this outcome depends on close coordination among developers. Consider the possibility of treating new towns not only as real estate developments but also as new local government units—as modern versions of the original New England towns. The problem is: who governs a new town before there are any people living there? Suppose that the metro-development district outlined above is authorized to designate new towns in response to new-town proposals that meet stipulated requirements related to densities, land-use diversity, and an appropriate mix of housing types. The process requires that a combination of landowners and developers join in proposing a planned-unit development. The proposal includes concrete plans for land-use and the physical design and layout of the community. Development pledges are required for some percentage of the property to be included, but a small number of ‘holdout’ landowners can be included without their consent. Upon approval of the new town proposal, the development district initiates the incorporation of a new municipality, appoints an interim governing board, and assumes continuing responsibility for the oversight of municipal affairs as a board of trustees. Each developer pays development fees to the municipality, creating a fund used to build common infrastructure and begin to provide selected services. Some infrastructure costs can be financed through municipal borrowing. At an appropriate point in time, residents of the new town elect a charter commission to write a permanent charter for the municipality, and incorporation is completed. If other towns are allowed to develop close by, one can anticipate high-density collections of new towns as development nodes in the metropolitan area, each one surrounded by open space devoted to its traditional uses as well as urban/suburban recreation.

This approach creates an institutional arrangement for the development and governance of new towns that both facilitates their development—provided they are consistent with consumer preferences—and extends the principle of local self-governance to include newly developed communities. The latter feature is congruent with the historic patterns of growth in metropolitan areas sustained for more than a century. Downs (1994: 123) identifies “living in small self-governed communities” as one major element of the old metropolitan vision that would best be discarded. To do so is not merely a politically infeasible project; it would also scrap a major instrument of local problem-solving, one that in this case can actually be used to encourage a pattern of development that is very much a part of Downs’ new vision. Municipal incorporation at local initiative has been a principal instrument of metropolitan development for most of this century. Appropriately redesigned, it can continue to serve in much the same role.

Neglected almost entirely in Downs’ analysis of metropolitan problems is the role of civic engagement in local governance, as well as the role of local governance in fostering civic engagement. Alexis de Tocqueville noted the prevalence among Americans of “self-interest rightly understood”—what we might consider a democratic variant of civic virtue. He explained its emergence in America largely as a function of local responsibility for local governance. Today,
suburban villages frequently exhibit a style of politics that is simply an extension of civic engagement--featuring part-time elected officials, low levels of political competition, and widespread consensus on issues. Fostering civic engagement and the sense of civic virtue that underlies it is one of the traditional purposes of American local government. Omitting this important purpose implies not only a new vision but, more than likely, an unwelcome one.

The metropolitan development district outlined above does not depend on any single image of what growth should look like; it therefore does not require an explicit societal choice among Downs’ four alternative growth patterns. Instead, growth-outcomes emerge within a set of administered prices. More than likely this means accepting some middle ground, such as represented by Downs’ two middle alternatives. The mix of various land-use patterns would nonetheless emerge from a combination of (1) individual decisions by households and firms, (2) local collective decisions by municipalities, and (3) other collective decisions made on a metro-wide basis. Such a combination is neither laissez-faire nor central planning; it is rather a mixed strategy of problem-solving that avoids polar extremes, which tend unfortunately to dominate public debate. By adding new metropolitan-level capabilities that constrain development in view of social costs, the overall land-use pattern is more likely to be closer to an moving optimum that reflects a variety of ever-changing trade-offs. It is unnecessary, however, that development be driven by a single dominant image of metropolitan living. Presumably, one of the major advantages of metropolitan living is its ability to accommodate considerable life-style diversity. Requiring development to fit a single dominant vision as implemented by a central planning agency would sacrifice the diversity that the great majority of metropolitan residents appear to treasure.

VI

The possibilities sketched in broad strokes above should be considered mainly illustrative. The general point is that effective responses to the problems that Downs identifies depend on the creative use of existing metropolitan governance structures and their adaptation to changing circumstances. As Downs implies, many metropolitan areas may indeed be approaching a development threshold at which residents will be willing to consider alternatives to previous development patterns. But new patterns should be carefully fitted to the old--in particular, changes in governance ought to be fitted to existing governance structures with minimal disruption. A metropolitan development district--one that taxes new developments, finances trunk-line infrastructure through grants and loans, negotiates land-use concessions with existing municipalities, and establishes new towns that eventually acquire full municipal powers--is an incremental addition to existing arrangements that respects the problem-solving capabilities of the present governance structure while adding significant new capabilities consistent with the principles on which metropolitan governance structures have traditionally operated.

It is also important to address the deteriorating condition of inner-city neighborhoods,
which represent a clear case of institutional failure, one attended by disastrous human consequences. Downs and others tend to blame the failure on suburban development and metropolitan fragmentation together with the fiscal disparities it appears to create. They turn therefore to highly coercive solutions that would force suburbanites to contribute to inner-city investment and (presumably) maintenance, while seeking to disperse inner-city residents throughout the metropolitan area. An alternative possibility should be considered: to address inner-city problems by extending the benefits of a diversified local public economy to the central city. The proliferation of Business Improvement Districts (BIDs) in central cities testifies to the inadequacy of a single citywide provision unit governed from city hall. Other city neighborhoods—predominantly though not exclusively residential—also need public powers of taxation and regulation if they are to deal with their neighborhood problems effectively—including a greater ability to fend off large-scale development schemes with adverse neighborhood effects. Although potential residential mobility is essential to avoid the sense of being trapped, so is social capital among residents essential to sustain the livability of urban neighborhoods. The more we can bring the nested governance arrangements typical of the larger metropolitan area to bear on inner-city problems, I would argue, the more effectively we can cope with and ameliorate those problems.

Downs (1994: 201-205) laments the failure of metropolitan areas to create a sense of community that unites the entire area. Part of this failure can be traced to the bifurcation of the metropolis between central-city and suburban polities. The problem is not the governmental boundary that separates the city from surrounding suburbs but the great contrast in governance structures that the boundary defines. City and suburb represent, not just different municipal-government structures, but sharply contrasting governance structures—a contrasting nexus between government and civil society. If suburbanites don’t trust central city governments, they are not about to invest in central cities—contribute to their development—through those governments. City neighborhoods, however, are organized by neighborhood associations that operate on civic principles similar to suburban villages; they might therefore be welcomed as sister municipalities—racial differences notwithstanding. The dominance of city hall in the central city may frequently be an obstacle to a metro-wide sense of community—viewing the metropolis as a community of communities. Roger Parks and I found that one of the major differences between St. Louis and Pittsburgh is the central city’s relationship to the central county (Parks and Oakerson 1993). Because Allegheny County overlies Pittsburgh, a much stronger sense of community is created between the central city and its surrounding suburbs. St. Louis County and St. Louis City, being entirely separate jurisdictions, view each other predominantly as rivals, not as partners.

Obviously, there is plenty of room for region-by-region experimentation in the institutional arrangements appropriate for addressing growth-related problems, as well as inner-city neighborhood-deterioration problems, in order to gain experience with a variety of alternatives. This is why Downs’ recommendations to use federal power to leverage the local acceptance of ‘regionalization’ in accordance with a dominant new vision of metropolitan America is an especially bad idea. Downs’ preference (1994: 205) is for a national movement to address metropolitan growth-related and inner-city problems as a single package, leading to congressional
action. As he concedes, however, Congress seems unlikely to go very far in this direction.\textsuperscript{5} We are far better off to adopt the perspective of Louis D. Brandeis, arguably the leading progressive of the early twentieth century, who urged respect for the diverse policy experiments made possible by federalism. For Brandeis, federalism was an instrument of public problem-solving, not an obstacle to be overcome by national planners, nor a shield for the benign neglect of problems in the name of laissez-faire. We need to understand metropolitan governance structures likewise—as instruments for addressing multiple problems in multiple ways at multiple scales of action.

Although Downs’ criterion of political feasibility leads him to modify his proposals in view of potential opposition, his deference to existing metropolitan governance structures rests more on power than respect. The existing patterns of metropolitan governance are simply one element in a vision that should be discarded in favor of a better idea. The respect that Brandeis and like-minded progressives paid to federalism rested, it seems to me, on an important principle: that efforts to solve one set of problems should be careful to accommodate other problem-solving efforts, past, present, and future. If we view federalism and metropolitan governance structures as structures of problem-solving, we will be careful to work within their parameters so as not to disturb other institutional solutions to recurrent problems. Given the variety of public problems, including especially the variable scale at which different problems are best addressed, it is important not to run rough-shod over existing governance structures, many of which have been painstakingly crafted over time to address a multitude of diverse problems simultaneously. Existing governance structures should not be dismissed as so many obstacles to the grand plans of visionaries or the grand visions of central planners.

My objection to the central-planning perspective, however, is not simply conservative—one that seeks to conserve existing and potential problem-solving capacity; it is also an objection to the blinders that such a perspective imposes on analysis and innovation. Much more can be accomplished in response to growth-related problems by seeking to adapt and extend the polycentric governance structures of metropolitan areas, I suspect, than by seeking to achieve one or another sort of dominance for central planners. A vision of “fragmented” metropolitan governance structures as a set of obstacles somehow to be removed or evaded is much too limiting. The alternative vision I propose is the “civic metropolis” (Oakerson 1999). This is a vision that sees metropolitan areas as complex local public economies, not dominated by any single government unit but governed through the integrating efforts of civil societies, adapting their institutions in response to a succession of problems. The civic metropolis is a vision consistent with long-standing tradition and practice in America. By drawing on the energy and productivity of civil society, it will allow more problems to be solved, more effectively.
1. This is a somewhat abbreviated version of a model that appears in Parks and Oakerson (1989).

2. Economist Randall G. Holcombe (1999: 3) has written a vigorous defense of “urban sprawl,” including “leapfrog development, strip or ribbon development, and low-density, single-dimensional development.” My provisional acceptance of Downs’ diagnosis of growth-related problems does not imply that all parts of his diagnosis would withstand critical challenge.

3. A metro-development district need not take over full responsibility for infrastructure provision and maintenance. Much of this can be left to other local governments--to municipalities and special purpose districts. The metro-development district would be a provision-side unit specialized to the provision of large-scale, trunk-line infrastructure. It would not necessarily become an in-house producer of planning services. Many of its planning needs could be supplied by purchasing services from other planning units--area planning commissions combined with private planning consultants.

4. I am well aware of arguments against zoning even on this modest scale, but for the purpose of the analysis here I set this controversy aside so that I can focus on the intergovernmental issues that arise out of local-government efforts to shape and direct patterns of land-use for public purposes.

5. How far Congress goes, however, depends in part on the dynamics of public opinion--dynamics with which Downs is well acquainted given that he wrote with considerable insight on the subject in more than a quarter century ago (see Downs 1972). If as much as one-third of the general public can be convinced that metropolitan “sprawl” is a major national problem, Congress would be strongly motivated to do something, even if it were only symbolic. It seems clear that one of the purposes of Downs’ New Visions for Metropolitan America is to help opinion-leaders stimulate such a “spike” in the national issue-salience of metropolitan growth-related problems.
BIBLIOGRAPHY


