Form of Government and Policy Choices: Lessons from the Empirical Literature

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Abstract

This paper overviews the empirical research examining the effects of municipal form of government on policy choices. Local government scholars have devoted considerable energy to examining the effects of form on the decision made in municipal governments in the U.S. Yet despite strong attention to this topic from scholars, the lessons of this body of research are not widely known. The findings are dispersed among several different academic literatures on municipal government, including fiscal policy, economic development, service delivery, and form of government is often included as a control variable in analyses focused on making theoretical contributions on different topics. One line of work that stands in sharp contrast to this statement is the studies utilizing the political market framework. This framework portrays political institutions generally, and form of government specifically, as critical to determining the transaction costs experienced by the public in seeking to influence municipal policy, and consequently, the incentives of elected leaders to pursue certain policies. Political institutions act as moderating variables in the political market framework, and the city's form of government favors different types of interests, either enhancing or reducing their ability to influence policy choices. This framework has provided improved the theoretical contribution of these studies by providing a core set of propositions about differences in decision-making between elected and administrative executives that can be assessed in different policy areas. The paper concludes with an assessment of this literature as a body of work and identifies the gaps that remain in our understanding of this topic.

Form of Government and Policy Choices: Lessons from the Empirical Literature

This working paper reviews the several decades of academic research examining the link between form of government and the policy decisions in U.S. cities. There have been literally hundreds of papers and reports published in recent decades examining council-manager governments, mayor-council governments, and the similarities and differences between the two forms. Yet despite this attention from scholars, the lessons of this body of research are not widely known because the findings are dispersed among several different academic literatures on municipal government, including fiscal policy, economic development, service delivery, and others. A second reason for the lack of visibility of their findings is that form of government is often included as a control variable in analyses focused on making theoretical contributions on different topics. Thus, in many cases even the authors of these studies do not emphasize the implications of their findings for our understanding about the effects of form of government on policy choices. Another consequence of analyzing form of government as a control variable is that the insights provided can be of lessor value because the author did not bother to develop testable propositions for these variables. Instead, allusions to better or worse management, more or less politics, or greater or smaller interest in efficiency are typical bases for controlling for differences in form of government in these studies.

One line of work that stands in sharp contrast to this statement is the studies utilizing the political market framework. This framework has provided improved the theoretical contribution of these studies by providing a core set of propositions about differences in decision-making between elected and administrative executives that can be assessed in different policy areas. Research informed by the political market framework has led to predictions about differences in these governments in the timing (short-term versus long-term, leading versus lagging) and targeting (narrow versus wide impacts) of policies. Subjecting these propositions to tests in different policy contexts is important for developing theory about the effects municipal form has on policy choices. However, it has also resulted in the total impact of these studies being less obvious to scholars because the findings are dispersed among several different literatures on municipal policy.

This paper is organized into three major sections. The first section briefly describes the two forms of government and the elements that constitute form. This review is focused on the effects of form and not the entire set of political institutions that govern municipalities. Form is often used interchangeably with municipal structure or political institutions, but it is not synonymous with these two terms. The following section overviews the extant literature examining how form of government affects the policy decisions made by municipal executive officials. This review is limited to empirical analyses that use research designs capable of demonstrating differences in policy choices attributable to differences in the city's form of government. This decision resulted in the exclusion of many studies that examined only council-manager governments or mayor-council governments.[1] Finally, the review of the literature is organized in terms of the several policy areas that have provided the context for this research in order to highlight the contributions made by these studies to these literatures. The final section assesses this literature as a body of work and identifies the gaps that remain in our understanding of this topic.

Form of Government and Policy Choices

The initial efforts to link form of government to policy outcomes were largely focused on examining municipal spending to assess differences in responsiveness and operational effectiveness. Over the years, analysts have expanded their focus to include economic development and land use policy, services contracting, and other topics. A significant part of this latter work relies on the logic of transaction cost economics to develop predictions about the behavior of elected executives and career administrators. This work builds on Frant's (1996) arguments about the nature of transaction costs in public organizations to produce a general explanation for how form of government affects policy choices.

The most sustained and systematic effort to understand the linkage between form of government and policy choices is the political market framework developed by Richard Feiock and host of different colleagues. This framework portrays political institutions generally, and form of government specifically, as critical to determining the transaction costs experienced by the public in seeking to influence municipal policy, and consequently, the incentives of elected leaders to pursue certain policies. Political institutions act as moderating variables in the political market framework, and the city's form of government favors different types of interests, either enhancing or reducing their ability to influence policy choices. As Lubell, Feiock, and Rameriz (2009: 650) explain, "[t]he structure of local political institutions will amplify or mute the influence of different interest groups on policy decisions."

The political market framework offers two fundamental advances over previous research on the effects of council-manager government. First, the application of the framework to questions of policy choice leads to clear propositions about the different kinds of policies encouraged by the two forms of government because of differences in the high-powered incentives created by the two forms. High-powered incentives produce benefits that can be directly realized by the municipal officials. Feiock and his colleagues argue that the council-manager form reduces high-powered incentives by reducing the incentives to deliver particularistic benefits to supporters. They argued that the high-powered incentives created by the mayor-council form of government give mayors a strong interest in adopting policies that provide opportunities for credit claiming and improved prospects for reelection. In this framework, council-manager governments are presumed to be less influenced by high-powered electoral incentives because city managers are more attentive to the expectations of their professional peers and the norms of professional management advanced by organizations such as the International City/County Management Association. Over the last fifteen years, Feiock and his colleagues have used the political market approach to study the effect of political institutions on municipal decisions in economic development and land use policy. In the last few years, he and others building on his work have begun to apply this framework to energy use and climate change policy in U.S. municipal governments. The framework has provided useful for understanding the choices municipal officials make in these policies and is likely applicable to many other policy areas.

Second, the framework conceives of municipal structure as moderating the effects of political and economic forces on the decisions made by municipal officials. Form of government affects the ability of residents and community interest groups to articulate their demands in the political market and the willingness of local officials to supply the preferred policies of these groups. This insight has been picked up by scholars working outside of the political market framework and increasingly analysts approach structure as mediating the effects of other variables. For example, Krebs and Pelissero (2010: 405) use this idea to study the adoption of management innovations, asserting that "[t]he likelihood that administrators, as agents of elected leaders, will initiate policy is conditioned by the institutional environment of the city government." Craw (2008) and Karuppusamy and Carr (2012) also build upon this idea by examining how political institutions moderate the effects of intergovernmental competition and fiscal capacity on municipal expenditures.

The remainder of this section discusses the studies focused on local fiscal policy and the analyses examining the choices made among policy instruments in economic development, land use, municipal sustainability initiatives, and service delivery arrangements.

Local Fiscal Policy: Property Taxes, Expenditures, and Employee Wages

Studies analyzing municipal spending were the original efforts to link form of government to differences in policy outcomes, and municipal fiscal policy has received more attention than any other policy outcome. [2] The literature examining how municipal structure affects fiscal policy is mixed, but given the complexity of this topic, this outcome is not surprising. More than any other policy area covered in this review, analyses of municipal spending are vulnerable to modeling issues.[3]

Several studies have reported evidence that council-manager cities spend and tax at lower levels than mayor-council cities (Booms, 1966; Lineberry and Fowler, 1967; Clark, 1968; Lyons, 1978; Morgan and Brudney, 1985; Chapman and Gorina, 2012). For example, in one of the first studies on this question, Booms (1966) analyzed spending in 73 municipal governments in Ohio and Michigan and found the 37 mayor-council cities had higher expenditures per capita (police, fire, interest on debt, and operational costs for highways, sanitation, and public health) than did the 36 council-manager cities, when differences in socioeconomic variables were held constant. Anderson (1979) found that annual wage increases tend to be smaller in professionally managed cities than in more political cities. Stumm and Corrigan's (1998) analysis of 149 U.S. cities showed that cities with a professional manager are more likely to have lower property taxes general fund expenditures on a per capita basis.

Yet other studies have concluded that cities with council-manager governments have higher spending than cities with mayor-council governments (Campbell and Turnbull, 2003; Jung, 2006; MacDonald, 2006; Craw, 2008) and wages (Deno and Stephen Mehay, 1987; Ehrenberg, 1973). Mayor-council cities have been shown to have lower expenditures per capita than council-manager cities in studies of all U.S. cities with populations over 10,000 (MacDonald, 2006) and 25,000 (Craw, 2008). Others report similar findings, but only for specific service areas. For example, Jung (2006) found that expenditures per capita for policing were lower in council-manager cities than in mayor-council cities and Ehrenberg (1973) found that wages for firefighters (excluding fringe benefits) were higher in council-manager cities than mayor-council cities.

However, the most consistent finding in this literature over time has been that municipal fiscal policy is unrelated to differences in form of government. Liebert (1974), Deno and Mehay (1987), Hayes and Chang (1990; fire, police and refuse), Morgan and Pelissero (1980), Campbell and Turnbull (2003; police, fire, and highways), Jung (2006), Carr and Karuppusamy (2010), and Eskridge (2012) found no difference in expenditures per capita between council-manager and mayor-council cities. [4] Other studies have also found no difference in wage levels for all employees (Ehrenberg and Goldstein, 1975) or total compensation (including fringe benefits) for police and fire employees in these two groups of cities (Deno and Mehay, 1987). Deno and Mehay (1987) explained the null findings they reported as resulting from the absence of systematic differences between these two forms of government for cost minimization, arguing that simply appointing a professional manager does not mute the forces of electoral politics or provide incentives for efficiency that did not previously exist. “If matters were so simple, the urban fiscal crisis could have been solved long ago” (639). Carr and Karuppusamy’s (2010) analysis of per capita spending in 263 Michigan cities showed that the null findings are not explained by differences in how municipal structure is measured in these studies. They examined this question using four different measures of municipal political structure, including a dichotomous measure indicating differences in form, and reported null findings in each case. [5]

Structure as a Moderating Variable in Municipal Fiscal Policy

For the most part, this literature has examined the direct effects of political institutions on fiscal policy. However, analysts are increasingly considering the mediating effects of form of government on fiscal policy. Craw (2008: 668), for example, argues that the “appropriate model of expenditures is likely to be causally complex, that is, a model in which political institutions or fiscal constraints mediate the impacts of other variables.” This line of work directly challenges Deno and Mehay’s (1987) assertion that form of government does not affect the incentives of key decision makers by incorporating political institutions into the “Leviathan” model of government expenditures. These studies show that this model of government as simply “driven to maximize its tax ‘take’” (McCabe and Feiock (2005: 642) is incomplete when the city’s form of government is not considered. Form of government affects local fiscal policy through the way it moderates the influence of intergovernmental grants (Bae and Feiock, 2004), state tax limits (McCabe and Feiock, 2005), interjurisdictional competition (Craw, 2008), and local fiscal capacity (Karuppusamy and Carr, 2012) on municipal spending levels. McCabe and Feiock (2005: 643) argued that "when cities' constitutional-level institutions create low-powered incentives, fiscal behavior is more likely to correspond to the median-voter model because self-interested political actors have fewer inducements and means of attaining individual goals at the public expense."

Bae and Feiock (2004) examined the moderating effect of municipal form of government on the linkage between the amount of intergovernmental grants received and municipal expenditures. The "flypaper" effect hold that grants from higher levels of governments increase overall municipal expenditures, and Bae and Feiock proposed that the "flypaper" effect would be stronger in mayor-council governments. They proposed that elected executives "would like to use the intergovernmental grants to expand the government expenditures rather than reduce taxes" (p. 585), because increasing spending on local public goods is a more visible achievement in the community than reducing taxes. Their study of spending in 334 medium-sized (between 75,000 and 800,000 population) U.S. cities found evidence for this proposition. They concluded that "mayor-council cities rely more on intergovernmental grants for the purpose of increasing government expenditures then council-manager cities do." (p. 591).

McCabe and Feiock (2005) examined the proposition that form of government moderates the effects of state-imposed limits on property taxes on property tax revenues raised by cities. They predicted that the high-powered incentives created by the need for mayors to seek reelection encourage them to circumvent tax limits and, as a consequence, mayor-council cities become more heavily dependent on discretionary sources of revenues. The proposed that state-imposed limits on maximum property tax rates create higher levels of property tax dependence in council-manager cities because these governments are less likely to turn to other taxes to deliver particularistic benefits than are mayor-council governments. Their analysis of property tax revenues from 1975-1995 in 267 large (over 75,000 population) cities showed that when limits are absent, mayor-council cities obtain a larger portion of their own-source revenues from property taxes than council-manager cities do. However, when rate limits are in place, mayor-council cities rely less heavily on property taxes. They describe this outcome as stemming from the fact that "the mayor-council form creates incentives that lead political actors to prefer relaying more heavily on the revenue source that gives them the greatest amount of discretion" (p. 647).

Craw (2008) proposed that form of government also moderates the effect of interjurisdictional competition on municipal spending levels. He proposed that the impact of monopoly power on municipal spending would be lower in communities where form provides fewer incentives for officials to act opportunistically. He examined the effects of local monopoly power on municipal expenditures and showed that interjurisdictional competition had a stronger effect on expenditure levels in the mayor-council cities he studied. He analyzed spending in nearly 2,300 cities and concluded that mayor-council governments have an upward spending bias when interjurisdictional competition is weak. Karuppusamy and Carr (2012) built on Craw's work by examining if the link between local fiscal capacity and municipal expenditure was also moderated by the city's political institutions. They examined spending by 263 Michigan cities on four core local services (police, fire, public works, and recreation and cultural activities) and found that officials in council-manager cities were more constrained by low fiscal capacity than their counterparts in mayor-council cities.

Examining Economic Development Policy Adoptions

The topic of economic development policy has received the most attention from municipal scholars examining the effects of political institutions on policy choices, with the possible exception of fiscal policy. Most of these studies utilize the political market perspective and anticipate nonadditive effects for form of government on development policy because it "influences the level of responsiveness of government to external economic and political demands" (Feiock and Kim, 2000: 32).[6] These studies examine the amount and type of development policies adopted by municipal officials as a means to assess the "administrative constraints on the politization of development policymaking" created by political institutions (Feiock and Kim, 2000: 40).

Sharp's (1991) study of economic development policy adoptions in 428 U.S. cities was the first to argue that political institutions moderate the amount of development policies that result from the influence of local factors. She analyzed the adoption of several different financial incentives and development strategies as a means to examine the potential of municipal political institutions to "either exacerbate or diminish the tendency for economic policy to be driven by economic distress" (p. 140). She found that the relationship between fiscal stress and the amount of financial incentives and economic development strategies was strongest in the least "reformed" cities in her study.[7] Her study was limited to analyzing correlations, but provided early evidence that political institutions affect policy by moderating the effects of local political forces.

Feiock and Kim (2000) built on Sharp's findings by outlining the different incentives for behavior by elected executives and career professional managers that became the core assumptions of the political market approach. They argued that the strength of the high-powered incentives in the mayor-council form gives mayors a strong interest in the promotion of economic development and the highly visible impacts of financial incentives provide opportunities for credit claiming. In contrast, they argued, council-manager governments lack these high-powered electoral incentives because city managers are more attentive to the expectations of their professional peers and the norms of professional management advanced by organizations such as the International City/County Management Association. They asserted that supporting financial incentives or subsidies that may harm the city's fiscal position is not in the long term professional interests of city managers even if the policies are politically popular.

Like Sharp, Feiock and Kim's research did not examine the amount of resources devoted to economic policy, again focusing on simple counts of the different policy instruments used by the cities in the study.[8] They summed the counts of the policies from eight categories to create a single measure of development activity and predicted that the council-manager governments responded to different local factors than the mayor-council governments in the study. They expected measures of need such as poverty levels and population decline would be more strongly linked to the adoption of development policies in the mayor-council cities because of the high-power of electoral incentives. Their analysis found only partial support for this proposition. Population decline had a stronger influence on the magnitude of policy adoptions under mayor-council government than under council-manager government, but the council-manager governments responded to poverty populations with development programs to a much greater extent than did the mayor-council cities. Feiock and Kim also concluded that strategic planning was more effective in limiting the adoption of development policies in cities with council-manager governments. "Planning means making commitments to take certain actions and not others. Such plans may be less credible in the context of high power electoral incentives" (p. 46).

A significant limitation of the Feiock and Kim study is that the eight categories of development policies were aggregated into a single measure for the analysis. In a subsequent study, Feiock, Jeong, and Kim (2003) returned to this question with an analysis that disaggregated the development policy instruments examined in the 2000 paper into seven categories of instruments differing in terms of "cost, visibility, targetedness of benefits, and other potentially salient dimensions" (p. 620).[9] Once again, they found that the effect of local economic and demographic factors on the adoption of these development policies differed in cities with different forms, but there were not large differences in the factors across the different categories of policies. For example, poverty was a more important factor in council-manager cities, while population and median income were more important forces in mayor-council cities. This study permitted the authors to link these factors to specific instruments and they stressed the findings for the "financial" incentives group. "It is notable that the divergence between the influence of population and economic decline in council-manager and in mayor-council communities is greatest for finance incentives. This strategy includes tax-exempt bonds, cash contributions, and deferred tax payments, which are some of the most costly and controversial development programs. Despite their questionable effectiveness, they may be politically advantageous because they provide targeted and visible benefits. In mayor-council cities, the use of financial incentives is strongly linked to declines in population and economic base, yet financial incentives are unaffected by these economic declines in council-manager systems" (p.

623). Once again, the effect of strategic planning on development policy choices was stronger in council-manager cities.

Kwon, Berry, and Feiock (2009) offer an explanation for the effects of structure on the adoption of innovations that combines elements from the two other studies. They argue that the mayor-council form creates an incentive for officials to be risk adverse and to adopt visible programs for which they can claim credit, whereas the council-manager form provides incentives for managers to approach development with the long-term perspective consistent with values emphasized by the field of public administration. "Earlier adoption of innovation may be risky, but being first can produce political advantage. Later adoption produces less gain but it poses little political risk. In fact, once the innovation has become more visible and is legitimated by its diffusion, there are stronger political incentives to adopt it. Thus, we anticipate cities with council-manager government will be earlier adopters of innovation and cities with mayor-council government will be later adopters" (p. 973). They examine the timing of adoptions of economic development strategies by 233 U.S. cities.[10] They find support for this proposition and conclude, "the political leaders in mayor-council government are more risk adverse and attentive to political, rather than economic incentives for policy adoption" (p. 982).

Several studies have examined the link between form of government and the creation of joint ventures among cities intended to expand economic development. Feiock, Steinacker, and Park (2009) outlined a framework outlining the transaction costs of negotiating, monitoring, and enforcing these agreements, and identified form of government as an important factor affecting the agency costs of intergovernmental cooperation. In this context, differences in agency costs between the two forms of government arise from differences in the time horizon and risk preferences of the chief executive officers in each form. They argued that mayor-council cities are subject to greater agency problems than council-manager cities because reelection concerns shrink the time horizon for decision making by mayors and increase their aversion to being perceived as ineffective on issues that are highly salient to residents. Feiock and his colleagues argued that executive mayors would rather share credit for economic development with officials from other cities than appear to fail to improve the local economy. "Both the shorter time horizon and greater risk aversion suggest that mayors will be more likely to commit to cooperative agreements than city managers" (Feiock et al., 2009: 259). They tested these propositions with an analysis of the creation of joint ventures in 254 U.S. cities.[11] Their findings confirmed that the cities in the study with mayor-council governments were more likely to engage in joint ventures for economic development.

Feiock and his colleagues examined the additive effects of form on the use of joint ventures, but other studies have studied the link between form of government, local policy networks, and the use of intergovernmental agreements to encourage economic development. Hawkins' (2010) study of joint ventures in 206 U.S. cities built on the Feiock, Steinacker, and Park study.[12] He confirmed their finding that mayor-council governments were more likely to have formed a joint venture for economic development than the cities with the council-manager. The odds of forming a joint venture in mayor-council cities was almost four times higher than in the council-manager cities when controlling for differences in local economic conditions. Second, he examined the extent to which form of government moderates how the structure of local policy networks influences the creation of these joint ventures. Feiock and his colleagues focused on the role policy networks play in the development of joint ventures, but they did not examine how form affected this relationship. Network centralization indicates the extent to which certain actors, such as regional development organizations, council of governments, or local governments, act as intermediaries in the network, and highly centralized networks may reduce the costs of collective action in economic development. Cohesion, measured as network density in this study, indicates the extent to which the actors in the network report ties with the others and dense networks may encourage joint ventures because the large number of bonding relationships in these networks increases trust (Andrew and Carr, 2013).[13] Highly centralized and strongly cohesive networks are expected to encourage intergovernmental cooperation and the effects of form on this presumed relationship has not been studied in previous research. Hawkins found that the effect of network centralization on the probability of forming a joint venture was moderated by form, but that network density was not. “A centralized network structure may be particularly important for cities with elected executives given their level of political exposure and associated transaction risk” (p. 266) in joint ventures with other cities in the region.

Hawkins and Feiock (2011) built on both prior studies by analyzing the link between form of government and the distribution of the perceived economic benefits from joint ventures. Intergovernmental economic development agreements may focus on a single project and provide targeted or “localized” benefits or be directed at a more comprehensive range of development issues with other communities with the objective to produce “communitywide” benefits. [14] Hawkins and Feiock proposed that elected mayors have strong incentives to seek economic development that rewards geographically based constituents and so the probability of forming an agreement for local projects is greater for cities with the mayor–council form. In contrast, they proposed that joint ventures with the objective of broadly improving economic development in the communities taking part in the joint venture are more likely to be formed by council–manager cities because the lack of high-powered incentives and a strong focus on the needs of the entire community. Their findings support their propositions about both forms. “Joint ventures are more likely to be established when an interjurisdictional agreement involves addressing localized problems and there is mayor-council form of government, or, when the city has a council-manager governing arrangement and the development problem is communitywide" (p. 340).

Land Use Policy Decisions

The political market framework asserts that the structure of city executive branch institutions affect the influence of organized interests in policy decisions, and a few studies have focused on how political institutions moderate the influence of organized interests active in land use policy. Lubell, Feiock, and Rameriz de la Cruz (2009) described land use decisions as bargaining over property rights and asserted that "mayors favor the preferences of higher socioeconomic classes, while managers favor the preferences of the construction industry" (p. 661) in this conflict.[15] They examined two measures of land use policy in 406 Florida cities: land use changes as recorded in the twice yearly comprehensive plan amendments cycles and the annual number of single family housing permits approved by the city government.[16] Their findings confirmed that the power of interest communities depends on the structure of political institutions. [17] "[T]he positive influence of socioeconomic status on the direction of land use is much higher in cities that emphasize mayoral power" (p. 658). They reported similar findings for the model examining housing permits; socioeconomic status had a larger positive influence on the number of housing permits granted and developers had less influence when the balance of executive branch power favored mayors. They concluded, "[m]ayors appear to have a strong connection to higher socioeconomic status interests in a community. As mayoral power increases, higher socioeconomic status shifts the balance of land use changes to be more proenvironmental, but at the same time, increases the rate of building permits" (p. 662).

Rameriz de la Cruz (2009) further examined the question of how the high-powered incentives of mayor-council governments affect the responsiveness of elected executives to the preferences of environmental groups, developers, and homeowner associations by studying how form of government affected the adoption of three types of "smart growth" regulations (urban containment, density bonuses, and smart growth zoning) in 147 Florida cities. These three types of land use regulation encourage compact development and higher population densities while providing for the creation of open space and other amenities in different ways.[18] He argued that these regulations provided benefits to prodevelopment interests because density bonuses and urban containment regulations increase the production of public goods such as open space that can be capitalized into housing prices and passed on to homebuyers. Rameriz de la Cruz asserted that both of these programs appear to provide benefits to both residents and developers, and may help reduce the conflict over land use regulations. His findings only provide partial support for these propositions. His analysis found that higher levels of activism on the part of developers and environmental groups increased the use of density bonuses, but was unrelated to the use of the other two types of regulation. There were no direct effects of activism from homeowner associations on the adoption of any of the three smart growth regulations. The analysis showed stronger evidence for the moderating effects of form on the influence of these organized interests in land use policy. Active homeowners associations increased the use of density bonuses and growth boundaries in mayor-council cities over the levels seen in the council-manager cities. Developer activism reduced the use of growth boundaries in mayor-council cities, but their influence on the other two regulations was not affected by form. The analysis showed no support for the proposal that form affected the influence of environmental groups on the use of any of these three approaches to regulating land use. Finally, the interaction terms for the three interests showed null effects for smart growth regulation. “The lack of political insulation appears to enhance the adoption of smart growth instruments but only if these instruments have positive redistributive consequences for a strong coalition of interests in the community” (p. 239).

Municipal Sustainability Initiatives

Recently, analysts have begun to examine the link between form of government and the adoption of municipal policies directed at improving sustainability through reducing greenhouse gas emissions, energy use, and other activities. This literature is still maturing and the initial studies examining the direct effects of form on the adoption of sustainability policies report mixed findings. In the first of two studies addressing this question, Krause (2011) analyzed the factors explaining why cities adopted the U.S. Conference of Mayor’s Climate Protection Agreement and found that cities with mayor-council governments were more likely to adopt this agreement.[19] However, her 2013 analysis of climate change mitigation activities in 255 U.S. cities found that mayor-council governments were less likely to adopt the three climate protection initiatives (city government focused initiatives, communitywide initiatives and resource commitment to climate protection) she studied. [20] The two studies by Krause report conflicting findings on this issue and it is unclear why. Form of government is essentially included in the models as a control variable in these two studies, and she did not outline a basis for expecting differences between the two forms of government in either study. Krause’s 2011 study focused on understanding the effects of state level factors on the adoption of these agreements by cities. Her 2013 study focused on understanding the motivation reported by local government officials for engaging in climate change initiatives.

For the most part, Krause's two studies simply examined the adoption of agreements and did not attempt to assess the intensity of commitment the cities she studied made to sustainability. Other scholars have examined the link between form of government and the comprehensiveness of the sustainability initiatives undertaken by U.S. cities.[21] Saha (2009) used the 2006 scores calculated by SustainLane for the fifty most populous U.S. cities to indicate the scope of the sustainability initiatives in these cities. She found no evidence that form of government affected the scope of these activities. Svara, Watt, and Jang (2013) examine this question more directly with their examination of the direct effect of form of government on the number of different sustainability activities/programs adopted by cities using the 2010 ICMA survey of sustainability activities in 2,176 cities.[22] They found that council-manager cities had higher sustainability ratings and they attributed this finding to higher levels of innovation in council-manager cities. The Svara measure seems to be a better indicator of the comprehensiveness of city policy supporting sustainability, because the SustainLane scores combine policies under the direct control of cities with policies and outcomes not under their control.

Other scholars have built on insights produced by analyses of land use decisions about how form moderates the influence of interest groups (Lubell, Feiock, and Rameriz de la Cruz, 2009; Rameriz de la Cruz, 2009) to study the influence of local interests on the adoption of sustainability programs. This work has yet to demonstrate that form moderates the role of interests active in this policy area. Following propositions about the high-powered incentives of the mayor-council form from the political market framework, Sharp, Daley, and Lynch (2011) proposed that the influence of organized interests—both supporters and opponents—on the adoption of sustainability programs would be stronger in mayor-council cities than in council-manager cities. They examined measures of environmental advocacy and manufacturing sectors, and an indicator of civic capacity (the portion of the adult population in the city with a bachelor's degree) intended to capture the strength of support from these key interests for sustainability initiatives, such as joining ICLEI's Local Climate Protection program.[23] Their analysis did not provide evidence that form moderated the influence of these interests on the decision to join this program. In a later study, Daley, Sharp, and Bae (2013) returned to this question by focusing on the depth of the adoption of various energy reduction and sustainability policies directed at residential and business in the community. They used a different data set, outcome measure, and developed different measures of interests from the 2011 study, but largely found null results once again.[24] The one exception was their measure of the "manufacturing interests/creative class." Of the four interests included in the models, the influence of the "manufacturing interests/creative class" ratio was the only one that was contingent on form. Council-manager "[c]ities where creative class industry is a relatively prominent component of the economy are more likely to do more sustainability policy" (p. 154)…and in contrast, "mayor-council cities that are heavily reliant on the manufacturing industry are attempting more in the way of sustainability policies" (p. 154). Krause also (2012) examined this same question by assessing the extent to which U.S. cities were adopting the full range of climate protection policies that were within their authority to enact, and the influence of the city's form on the comprehensiveness of these adoptions. She developed a Municipal Climate Protection Index (MCPI) based on 25 local actions to indicate the climate protection activities within the authority of U.S. cities.[25] She found no evidence that form of government moderated the amount of influence that residents and businesses had on the city's MCPI. She concluded, "[t]he hypothesis that different local institutions—in this case having a mayor-council or council-manager/commission government type—amplify or reduce this influence that various interests have on political decisions making also fails to receive support" (p. 2414).

To date, the best effort to link form of government, interest group strength, and differences in the depth of commitment cities show on sustainability is Sharp, Daley, and Lynch's (2011) analysis of the effect of form on the influence of these interests in the implementation of sustainability initiatives by assessing the extent to which the cities adopting ICLEI's Local Climate Protection program had implemented the program's key milestones. They concluded that joining ICLEI and making substantial progress in implementing the program's key milestones are shaped by different factors and that form of government mediates implementation much more than it does adoption. They found evidence that the influence of two key interests was affected by form. "The presence of environmental nonprofits contributes to implementation success, but only in mayoral cities; the city manager form of government insulates city officials from such interests" (p. 451). They also found that form of government mediated the influence of manufacturers on implementation. "The more prevalent industrial interest groups are in a city, the less progress that the city makes in achieving ICLEI milestones. And once again, the importance of political institutions is demonstrated by the fact that this negative influence is apparent in mayoral cities but not city manager cities" (p. 451).

Finally, the influence of local interests on the adoption of sustainability initiatives also has been examined in terms of efforts to integrate environmental issues with development policy. The pursuit of nonenvironmental benefits is often identified as an important factor in explanations for why cities adopt these policies (Krause, 2013) and sustainable development initiatives may help reduce the conflicts among interested identified by Rameriz de la Cruz (2009) and others. Hawkins and Wang (2013) studied the sustainable development policies adopted by 263 U.S. cities to assess the extent to which form of government moderated the influence of business interests on the number of sustainable development policies adopted by these cities. Sustainable development policies "emphasize integrating traditional development incentives (for example, financial incentives, expedited permit process, tax credits, loans, and fee waivers) with efforts to reduce energy consumption and minimize environmental effects" (p. 71).[26] They asserted that policies integrating environment and energy issues provide clear benefits to local developers, and that business interests will be more successful in obtaining these policies in council-manager cities. Hawkins and Wang attributed this outcome to the propensity of city managers to act in innovative ways, and the reluctance of mayors to pursue policies with long-term payoffs. This latter proposition is based on a temporal dimension to this issue identified by Kwon (2009) and his colleagues. They found that cities that actively involved business in developing a sustainable vision for the city adopted more sustainable development policies. However, they found when the city was also a council-manager city, the number of policies was 45 percent greater than the case in mayor-council cities. They attribute this finding to the "essential entrepreneurial role" managers play in "crafting sustainable development policy" (p. 26).

Other studies of sustainability activities have built on the insights about policy choices developed by the studies of economic development policy adoptions (e.g., Feiock and Kim, 2000; Feiock, Jeong, and Kim, 2003) to examine how form affects the choices local government officials make about the distributional impacts of the policies they adopt. These studies emphasize the importance of the cobenefits of cost savings in explaining the motivations for local governments to pursue sustainability initiatives and focus on how the benefits of energy efficiency and other cost savings of sustainability initiatives are distributed. Bae and Feiock (2013) framed the choice this way: Sustainability programs “can be targeted to promote energy efficiency in governmental operations, which aligns with the career incentives of professional managers, or they can be targeted to residences and businesses in the community, a strategy in alignment with the incentives of elected mayors” (p. 777). Bae and Feiock (2013) examined the direct effect of form on the differences in choices made by local administrators using survey data about the sustainability policies adopted by 956 U.S. local governments over 20,000 in population. They found that the council-manager form has a significant positive effect on the expected number of sustainability policies that are directed to governmental operations and a significant negative effect on community-based sustainability efforts. They conclude that managers are more likely than mayors to promote policies to reduce operational costs in the public sector and are less likely to accommodate community and interest group demands. Daley, Sharp, and Bae (2013) followed up on this analysis by examining the 147 cities in the Bae and Feiock study larger than 75,000 in population and focused on understanding the moderating effects of form on these choices.[27] They expected that the influence of organized interests on the adoption of communitywide initiatives would be strongest in cities with mayor-council governments, but found no support for this proposition. The analysis showed that the effect of organized interests on the adoption of sustainability initiatives was largely unrelated to form.

Service Delivery Arrangements

A final policy issue that has received substantial attention is the decisions local government officials make about service delivery arrangements.[28] Scholars have often suspected that form of government affects the decisions local government officials make regarding how local public services are delivered and many studies have included measures of form in their models examining services collaboration among local governments and contracting with nongovernmental organizations. Despite this expectation, research has yet to demonstrate a strong link between form of government and the choices local government officials make in service delivery arrangements.

This literature linking form to government service production decisions is generally informed by transaction cost economics, but not by the political market framework used to examine economic development, land use, and the other policy areas previously discussed in this section. The political market approach focuses on understanding how the high-powered incentives of the mayor-council form affect the risks elected executives are willing to take and ultimately their policy choices. Extant research on service delivery instead typically focuses on identifying the sources of transaction costs arising from service characteristics, such as asset specificity, measurement difficulty, and potential principal-agent issues creating contract management difficulties when predicting when local governments will contract for services production and the sectors they will choose to provide the service.

Form of government is often included in studies seeking to explain why municipal governments contract for services, but the amount of theorizing about how it affects contracting decisions is usually minimal. These studies rarely focus on developing testable propositions about expected differences in behaviors between elected and appointed executives because form of government is typically included in these studies as a control variable. Instead, these studies usually simply allude to expectations that council-manager governments will be more focused on gaining efficiencies to explain why form of government matters to the contracting decision.[29] For example, city managers have been proposed to be “more innovative and efficient” (Shrestha and Feiock, 2011: 578); manage “the contracting process more effectively” (Lamothe, Lamothe, and Feiock, 2008: 33); more focused on reducing service costs “because of their professional, nonpartisan orientations” (Ferris and Graddy, 1991: 548); and less attracted to the potential of securing “private benefits from keeping service provision inside the government” (Levin and Tadelis, 2010: 508) than the elected executives making decisions in mayor-council governments. Regardless of the specific rationale, every study presumes council-manager governments will be more receptive to contracting services.

In terms of policy choice, this literature focuses on two basic questions that are often examined in the same study. The first is the identification of the determinants of external service production and form is one many potential variables affecting this decision. A feature common to this literature is that these studies typically examine only the additive effects of form of government and ignore the moderating impact anticipated by the political market framework in studies of other policy areas.

The second issue is to explain when local governments will choose to produce services externally instead of relying on in-house production. In this literature, the form of government is rarely a central theoretical focus. More often, the focus is on how service characteristics, the local supplier market, or some other feature expected to affect production costs, influences the decision to produce services using an external producer. The sources for external production are usually described as either governmental or nongovernmental producers (e.g. Carr, LeRoux, and Shrestha, 2009; Levin and Tadelis, 2010), and in some cases, the nongovernmental sector is further divided into for-profit and nonprofit organizations (e.g. Brown and Potoski, 2003; Hefetz and Warner, 2012). In some studies, the analysis will also focus on the decision to use complete contracting or joint production arrangements with organizations from these different sectors (e.g., Brown and Potoski, 2003; Lamothe, Lamothe, and Feiock, 2008). Finally, a few studies have examined the contracting decision as two distinct questions. Kwon and Feiock (2010) examined the consideration of contracting with other governments as a distinct step from creating the necessary arrangements to support the agreement. Shrestha and Feiock (2011) separated the decision to contact for services with other local governments from the amount of contracting that occurred, measured in terms of the level of interlocal expenditures on local public services.

Contracting for Services and Sector Choice

The evidence for the influence of form of government by cities on the decision to contract for service production or the choice of sector to provide the service is mixed, with roughly half of the studies reporting null effects and the other half reporting evidence of a link between form, the likelihood of contracting, and sector choice.

Two studies have provided evidence that council-manager governments are more likely to deliver services using external producers, regardless of the sector, than mayor-council governments. Levin and Tadelis (2010) reported modest support for the proposition that council-manager governments are more likely to contract with external providers than mayor-council governments, regardless of the sector. Form of government was one of several measures used by Levin and Tadelis to measure the impact of the local "political economy" (form of government, city age, the region of the country, city debt levels, and resident voting patterns) on service production choices. They analyzed service delivery arrangements in U.S. cities in 1997 and 2002 to study the determinants of service contracting and found that the council-manager governments were slightly more likely to contract for services than the mayor-council cities in their sample. [30] Hefetz and Warner's (2004) analysis of service delivery choices in 628 U.S. cities also found evidence that form of government influences the arrangements cities use to produce services. Their analysis focused on identifying the factors explaining decisions to contract for services with external producers and, in some cases, the later decision to return services to in-house production. [31] They found that council-manager governments were more likely to contract services and less likely to return services to in-house production once they have been contracted out.

However, several other studies have reported that form of government does not affect the likelihood that municipal governments will contract for services (Morgan, Hirlinger, and England, 1988; Lamothe, Lamothe, and Feiock, 2008; Carr, LeRoux, and Shrestha, 2009). In each case, the research was focused on understanding the determinants of sector choice, but has clear implications for the more basic question of form's influence on external service production. Each study reported that form of government was unrelated to contracting in all of the sectors they examined. These studies are discussed in greater detail later in this section.

The literature is also strongly split on how form of government affects the sectors local governments rely on when contracting for services. As noted, several studies have reported null findings for this question (Morgan, Hirlinger, and England, 1988; Lamothe, Lamothe, and

Feiock, 2008; Carr, LeRoux, and Shrestha, 2009), yet several others concluded that evidence supporting the existence of a link exists (Ferris and Graddy, 1991; Brown and Potoski, 2003; Hefetz and Warner, 2004; Feiock and Jang, 2009; Levin and Tadelis, 2010). This group of studies generally relies on the ICMA alternative service delivery datasets to examine service production choices in terms of the incentives for external production based on risks of opportunism by vendors arising out of service characteristics, the structure of local supplier markets, and political transaction costs stemming from the visibility and salience of services to residents. Again, form is rarely a key theoretical variable in these studies and most often included as a control. Perhaps because of this, these studies rarely outline a basis for how form of government affects how cities choose among the potential sectors other than asserting that council-manager cities are more likely to use external producers. One exception is Ferris and Graddy's (1991) assertion that "external public organizations lack many of the incentives to minimize costs that are present in their private sector counterparts" (p. 542) to support their presumption that efficiency-minded council-manager governments prefer to contract with the nongovernmental sector.

Morgan, Hirlinger, and England (1988) were among the first to examine the link between form of government and sector choice in their study of service arrangements. They reported null effects for form of government in the choice between in-house production and contracting with private, nonprofit, or intergovernmental sectors for services.[32] In contrast, Ferris and Graddy's (1991) study of service arrangements in 1,534 U.S. cities found that council-manager cities were more likely to choose the nongovernmental sector when contracting for services. "As predicted, local governments with a manager-council form of government prefer private sector contracts, both for-profit and non-profit, over public contractors" (p. 552).

This literature generally does not focus on contracting patterns within different service areas, but one study examined the potential link between form of government and the extent to which cities used external organizations to produce five core local government services. Morgan, Hirlinger, and England (1988) also examined the proportion of the functions in public works, public safety, health and human services, parks and recreation, and administrative support that the cities in their study produced using external organizations.[33] Only in the case of public safety was the extent of contracting related to form. Cities with council-manager governments contracted a greater proportion of their public safety services than their mayor-council counterparts.

The focus on the importance of service characteristics for understanding contracting decisions has led to several studies using service arrangements as the unit of analysis. Brown and Potoski were the first of this group to examine this topic at the level of the service arrangement and provided the strongest evidence to date linking form of government to sector choice. They used ICMA data from 1997 to examine service delivery arrangements and found that council-manager cities were less likely to contract with private sector firms, but that form of government was unrelated to the likelihood cities opted to contract with nonprofits and other governments over in-house production or to the likelihood of complete contracting with organizations from any of the three sectors. Their research is also one of the rare studies to analyze the contracting choices among the external sectors. They found that council-manager cities were significantly more likely to engage in joint contracting, internal production, and complete contracting with other governments than complete contracting with private firms.[34] In contrast, Levin and Tadelis (2010) found that council-manager cities were more likely to contract services with both governmental and nongovernmental organizations than mayor-council governments. They analyzed data from ICMA surveys in 1997 and 2002 to study the determinants of 19,244 service arrangements in 1,043 U.S. cities and found that council-manager cities were approximately 15 percent more likely to contract with other governments and 10 percent more likely to contract with nongovernmental (private and nonprofit) organizations. They concluded that "cities run by an appointed manager, rather than an elected mayor, are more likely to contract for service provision, although the effect is relatively modest" (p. 510).

Other studies from this group reported null findings on these same questions. Lamothe, Lamothe, and Feiock (2008) analyzed the 2002 ICMA survey of municipal government service arrangements and found no support for their proposal that council-manager governments were more likely to contract services than the mayor-council cities, regardless of the sector examined.[35] Their analysis found support for the effect of production characteristics and contract management capacity on sector choice, but not form of government. Carr, LeRoux, and Shrestha (2009) reported similar findings for form of government from their analysis of the sector choice used for the production of 43 services in 109 Michigan cities. Their analysis found no support for the proposition that decisions to use other governments or nongovernmental organizations to provide services is influenced by the form of government used by the city. Instead, their analysis highlights the importance of administrator networks in contracting decisions. They found support that the participation by administrators in professional administrative networks increased the likelihood of contracting with other governments, but not for nongovernmental providers.

Finally, a few studies have sought to link form of government to the decision to contract with a single specific sector. Hefetz and Warner (2012) analyzed the importance of form of government to four different service production choices: direct public (or in-house), intergovernmental cooperation, for-profit, and nonprofit.[36] They examined this choice with a series of four probit models that examined the likelihood of choosing the specific sector overall all other production options, including in-house production. The analysis analyzed 4,475 service arrangements used by 118 U.S. cities and found that the presence of a council-manager government decreased the likelihood of the service being produced using a nonprofit organization, but had no effect on the other sector choices. Feiock and Jang (2009) also focused on understanding the decision to contract with nonprofit s, but came to a different conclusion about the effects of form.[37] They analyzed data on municipal contracting with nonprofit organization for the delivery of elder care services from 797 metropolitan cities responding the ICMA's 1997 Alternative Service Delivery survey and found that cities with mayor-council governments were less likely to contract services to nonprofits than cities with the council-manager form of government. They also examined how form of government affects the decision to contract jointly or completely. They found that the mayor-council cities in their sample were less likely to use joint production than in-house, but the other options (none versus complete and joint versus complete) were unrelated to form.

Finally, two studies have focused on understanding the link between form of government and interlocal contracting. Using data from ICMA's 2003 survey on the implementation of reinventing government strategies in local government, Kwon and Feiock (2010) examined this question by separating the consideration of contracting from the decision to create the agreements to implement the service arrangement. The survey asked officials if they had considered service sharing, and in a later questions, if they had implemented the interlocal agreements needed to support the shared services arrangements. They reported null findings for both stages of the analysis. Preexisting cooperation and certain electoral institutions were found to be important in the creation of the agreement, but not form of government. A 2011 study by

Shrestha and Feiock reported similar findings for a slightly different question. Using interlocal expenditures data for eleven services from 163 cities in Georgia, they examined the decision to produce services with another government and then the level of activity carried out under the interlocal arrangement. They also reported null effects for form in both stages of this analysis.

Form as a Moderating Variable in External Service Production Choices

Finally, a few studies have taken the additional step of examining the proposition that form of government acts as a moderating factor on some of the other variable in their models. Hefetz and Warner (2004) examined how form moderates the effect of local opposition and monitoring activities on the use of contracting.[38] They proposed that council-manager governments engage in higher level of monitoring activities than mayor-council governments do and that this difference leads to "more effective" monitoring by council-manager governments and a higher probability of reverse contracting in these cities. They also proposed that council-manager governments are more effective in managing internal opposition and that form moderates the reductive effect of internal opposition on the use of service contracting and the positive effect that this opposition has on contracting services back in. They did not find support for the proposition that the link between opposition and contracting decisions is moderated by form of government, but they did find evidence that the relationship between monitoring activities and contracting out and back in is affected by form in the way they predicted.

Levin and Tadelis (2010) examined the moderating effect of form on the relationship between contracting difficulty and the use of external providers. They expected that the services scoring higher on their measure of contracting difficulty would be less likely to be produced by external organizations. However, they also proposed that the contracting decision in mayor-council cities would be less influenced by the level of difficulty of effectively contracting the service because "political concerns might cause administrators to focus on issues other than the economic tradeoffs" (p. 517). [39] They reported null effects for this proposition and concluded that "[t]he relationship between contracting difficulty and privatization is essentially the same in cities with managers and mayors" (p. 532).

The most ambitious effort to date focuses on identifying potential moderating effects of form is Hefetz and Warner's (2012) analysis of the service production arrangements used by 118 U.S. cities. They argued that research on contracting must examine place characteristics such as governmental management, economic condition, and political environment as systematically as it has focused on service characteristics and the local public services market. As noted in the previous section, their analysis of potential additive effects from form indicated modest support in the case of nonprofit contractors, but null effects for the other sectors. They examined the potential for moderating effects of form by splitting the cases in to two based on form of government and reestimating the model. Their findings reveal difference in the effects of several variables in two models. Fiscal stress, contract management difficulty, restrictive labor contracts, residential interest in the service, political climate regarding the size and scope of local government, residential support for contracting services, and rural location are among the factors their analysis indicates may be moderated by form of government. Given the small sample of cities is this analysis, Hefez and Warner suggest caution in drawing strong conclusions about the moderating effects of form of government. However, they identify several variables that should be seen as likely candidates and provide a solid basis for others to build upon.

Discussion

This working paper reviews the several decades of academic research examining the link between form of government and the policy decisions in U.S. cities. There have been literally hundreds of papers and reports published in recent decades examining council-manager governments, mayor-council governments, and the similarities and differences between the two forms. The initial efforts to link form of government to policy outcomes were largely focused on examining municipal spending to assess differences in responsiveness and operational effectiveness. Over the years, analysts have expanded their focus to include economic development and land use policy, services contracting, and other topics. The amount of work that has been done is impressive, but impact of these studies has been reduced because the findings are dispersed among several different academic literatures on municipal government, including fiscal policy, economic development, service delivery, and others. There is a solid research base linking form of government to policy choices, but the breadth of this work is not well known. This paper seeks to change this situation.

A significant part of this literature relies on the logic of transaction cost economics to develop predictions about the behavior of elected executives and career administrators. This work builds on Frant's (1996) arguments about the nature of transaction costs in public organizations to produce a general explanation for how form of government affects policy choices. Scholars working within this political market framework have developed a series of testable propositions about the incentives created by the two different forms of government. Over the last fifteen years, Feiock and his colleagues have used the political market approach to study the effect of political institutions on municipal decisions in economic development and land use policy. In the last few years, he and others building on his work have begun to apply this framework to energy use and climate change policy in U.S. municipal governments. The framework has provided useful for understanding the choices municipal officials make in these policies and is likely applicable to many other policy areas. A key contribution of the political market approach is its focus on conditional effects of form on policy choices. This is an important addition to the literature and will likely reduce the null findings so prevalent in this literature. The political market framework may provide a mechanism to unify findings across these different policy areas for the first time. This is an important step in the development of a general theory about the effects municipal form has on policy choices.

Notes

[1]In some cases, this decision also led to the exclusion of entire research streams focused on understanding the performance of council-manager governments, such as city manager turnover (Feiock cite) and mayor-manager relations (Svara cite), and the policy roles of city managers (Zhang cite).

[2]Bradbury and Stephenson (2003) and MacDonald (2006) have examined the link between council size and spending levels.

[3]MacDonald (2006) speculates that these null findings may be due to problems with the models such as endogeneity and omitted variable bias.

[4]These studies employ a diverse set of research designs, yet come to similar conclusions. Morgan and Pelissero (1980) conducted an interrupted time-series quasi experiment by comparing 11 cities with populations of 25,000 and above which changed their political structure between 1948 and 1973 with 11 control cities that made no changes. They found that over an 11-year period taxing and spending levels were virtually unaffected by changes in city government structure. In addition, Morgan and Pelissero (1980) discovered no consistent reallocation of expenditures among functional categories following changes in municipal structure. Jung (2006) also found no statistical difference between cities using the two form in per capita spending on common municipal functions in 504 American cities with populations over 50,000 during 1980-2000 (pooled time-series study), controlling for per capita income, population, density, nonwhite, percent of owner occupied homes, and per capita grants.

[5]Eskridge (2012) also found no difference in expenditures per capita between administrative, adapted administrative, conciliated, adapted political or political cities.

[6]Several studies have analyzed the evidence for an additive effect of form of government on development policy and reported null findings (Sharp, 1991; Clingermayer and Feiock, 1992; Feiock and Kim, 2000; Hawkins and Feiock, 2011).

[7]Sharp used an index of political institutions that combines form of government with the proportion of the city's council members elected by ward. Higher values of the index indicate less "reform."

[8]They use data from ICMA surveys from 1984 and 1989 examining economic development policies and programs. Their analysis included 516 cities. The eight categories of development instruments included in the analysis are: loan incentives, financial incentives, business regulation, land management, historical preservation, aesthetic improvements, and facility improvements. For descriptions of the tools covered by these broad categories, see page number 39 in Feiock and Kim (2000).

[9]The category of “Facilities Improvements” was excluded from this study.

[10]They combine data from ICMA surveys in 1999 and 2004 to examine the probability and timing of the adoption of four development plans: overall economic development, business retention, and business attraction, and a plan focused on small businesses.

[11]The data come from a 2004 survey of 522 cities larger than 50,000 people in 1990. Among the questions asked in the survey was whether or not the respondents local government “has engaged in joint ventures with other cities to encourage development” (p. 261).

[12]Hawkins surveyed economic development officials in 425 cities larger than 10,000 people from twelve metropolitan areas. The survey was conducted in 2006 and responses were received from 206 cities

[13]There is an emerging literature in public administration emphasizing the importance of social networks in encouraging interlocal cooperation, but Hawkins reported null findings for both network measures.

[14]The data for this analysis come from a 2004 survey of economic development and planning officials sent to municipal governments larger 10,000 each of the twelve metropolitan statistical areas (MSAs) with a 2000 population between 1 and 5million. The survey had a 48.4% response rate. This analysis uses a question that asked the respondents to identify the nature of the underlying development problems the joint venture served from a list of twelve potential objectives. The two objectives used in this analysis (localized and community wide benefits) were developed from their responses to this question. Only 75 communities were used in the analysis. [Explain why this is the case.]

[15] They describe the conflict along these lines. High socioeconomic communities are expected to favor restricting growth in order to isolate themselves from low-income individuals, increasing their property values and lowering the costs of supplying public goods. Developers, on the other hand, seek to use their properties for personal or economic gain and resist regulations that limit their choices in how to use their properties.

[16]For the measure of comprehensive plan amendments, they constructed a conservation index that “reflects the balance of pro-environment and pro-development land use changes in any given amendment cycle” (p. 655).

[17]This study did not examine form, but instead used an index that depicts “mayor-manager balance” based on form and a few other institutions. Despite the additional factors, the index strongly corresponds with form. “The factor score is highest for mayor-council cities and lowest for council-manager cities” (p. 656).

[18]Urban containment policies encourage compact development through infill and redevelopment while also pursuing the provision of public goods such as “preserving agriculturally or environmentally rich open spaces” (Rameriz de la Cruz, 2009: 225). Cities use density bonuses

to "promote affordable housing, child care facilities, open spaces, or the preservation of environmental and historical goods, while at the same time, promoting the construction of compact developments" (p. 225). Smart growth zoning focuses on regulating the intensity instead of the type of land use. It has limited redistributive effects because it largely directed at making the development process flexible.

[19]Krause examined whether or not the city's mayor had signed the Mayor's Climate Protection Agreement (as of 2008) committing the city to achieve the GHC reductions that would have been required of the U.S. under the Kyoto Protocol. The analysis is based on 1,026 U.S. cities with over 25,000 in population.

[20]The survey was sent to the 435 U.S. cities over 50,000 in population indicating involvement in climate protection policies through explicit involvement in climate protection, "typically through their signing of the United States Conference of Mayors' Climate Protection Agreement or their participation in ICLEI-Local Governments for Sustainability" (p. 128). The analysis is based on responses from 255 cities.

[21]Krause analyzed this question using dichotomous measures of adoption and was unable to examine the depth of their commitment to sustainability. The one exception to this statement is Krause's (2013) measure indicating if the city had committed financial or human resources to its sustainability efforts. This measure hints at the depth of commitment to sustainability by indicating whether or not the city committed resources to its sustainability efforts, either by putting money in the budget for climate management or by assigning responsibility for managing the city's climate protection activities to specific individuals.

[22]They survey covered 160 sustainability "activities." They measured the percentage of activities adopted by the local government as an indicator of commitment. They averaged the adoption rates for the 12 different categories and call this their "sustainability rating." The overall adoption of these activities was generally low. The cities in the sample averaged an adoption rate of only 18 percent of the 160 activities surveyed.

[23]They examine the membership by 122 U.S. large cities (defined as over 100,000 in population) in the International Council on Local Environmental Initiatives (ICLEI) Climate Protection Program. Forty–seven of the cities included in the analysis are members of this program.

[24] This study relied on information about sustainability activities drawn from a 2010 study of a random sample of U.S. cities of 50,000 in population. Their dependent variable is an additive index score of activities directed at improving the sustainability of the entire community. The survey asked respondents if their jurisdictions had regulations or policies that officially address the following issues: green buildings, retrofitting existing buildings for energy efficiency, alternative transportation systems, energy efficient devices (appliances, lighting, etc.), energy efficient buildings (building controls, etc.), inventory of greenhouse gas emissions, renewable energy, smart grid/net metering, alternative fuels, incorporating energy in land use decisions, provide information about efficiency to residents, adoption of formal greenhouse gas reduction goals, offer loans to upgrade or retrofit buildings, offer grants to upgrade or retrofit buildings,

offer rebates to upgrade or retrofit buildings, adopted planning goals related to climate protection or energy efficiency in either its general plan or a separate document. They limit the analysis to the 147 cities larger than 75,000 in population.

[25] The data used in this study cone from a 2010 survey of 665 cities over 50,000 in population. Completed surveys were received from 329 cities for a response rate of 49.5 percent. See Table 3 (p. 240) for a list of the 25 local actions included in the index.

[26] The eleven policies are listed on page 71.

[27]Excluding cities under 75,000 reduced the number of cities in the analysis from the 956 used in Bae and Feiock to 147.

[28]It is noteworthy that most studies on this topic utilize data on service delivery arrangements collected by the ICMA in their periodic surveys of local government on this topic.

[29]Feiock and Jang (2009) is a rare exception.

[30]They combine responses from ICMA surveys on alternative service delivery arrangements in 1997 and 2002 to create a single cross-section of 1,043 cities. For cities responding in both years, they used “the more complete or more recent response” (p. 518).

[31]Their dependent variables are measured as the level of new contracting out and contracting back in as a proportion of total service provision in the 621 cities responding to both the 1992 and 1997 ICMA survey on alternative service delivery arrangements.

[32]Unlike most of the other studies discussed in this section, form of government was a theoretical variable in this study. It is included as one of five measures of “political” factors in this study; the other four measures capture different demographic characteristics of the city population.

[33]They analyzed the information collected for 443 U.S. cities through the 1982 ICMA survey on service delivery arrangements to examine the effects of the availability of supply, measures of fiscal stress, and political institutions on the proportion of total functions contracted within these five service areas: eighteen public works functions; seven public safety; twelve health and human services; seven parks and recreation; and twelve administrative support services.

[34]They examined five service production options: internal production; joint contracting with governmental or nongovernmental organizations; and complete contracting with other governments, private firms, or nonprofits. Contracting with a private firm was the base category in their multinomial analysis.

[35]The unit of analysis is the service areas. They examine the arrangements used to provide 67 services from 335 cities (total 9,037 observations). Their objective, at least in part, is to link the make-buy decisions to their contracting production choices. The examined the following four forms of external service production (jointly with a private contractor or completely with another

government, for-profit-or nonprofit organizations) and found no evidence of differences in behavior attributable to differences in form.

[36]Their analysis is based on responses to the 2007 ICMA Alternative Services Delivery survey. They combined the information on service delivery arrangements for 67 services collected from 1,474 respondents to this survey with the 164 responses to a second survey soliciting measurements of several specific transaction costs. Combining the information collected through the two surveys resulted in data on 4,475 services for 118 municipalities.

[37]This is another of the few studies to treat form of government as a theoretical variable. They also make the effort to produce a theoretical explanation for how form of government affects contracting with nonprofit organizations by proposing that council-manager government enhances the credibility of commitments made by the municipality. “The credibility of commitments in ‘reformed’ nonpartisan council-manager communities increases the likelihood of nonprofit contracting” (p. 672).

[38]They measure these concepts using indices of monitoring activities and internal opposition to services contracting from several questions asked in the ICMA’s survey of Alternative Service Delivery Approaches in both 1992 and 1997. See Table 1 on page 178 for the specific responses included in the indices.

[39]This study comes the closest to offering a political market explanation, but the authors do not rely on this literature. They describe the potential for “private benefits to politicians of keeping service provision inside the government” (p. 508). This means that mayor-council cities would be less likely to contract out services than council-manager cities because the motives on executive mayors are “more explicitly political than appointed managers: (p. 517). Form of government is one of several measures Levin and Tadelis use to measure the impact of the local “political economy” (form of government, city age, the region of the country, city debt levels, and resident voting patterns) on service production choices.

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