

# **City County Consolidation Efforts: Selective Incentives and Institutional Choice**

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## **City County Consolidation Efforts: Selective Incentives and Institutional Choice**

Efforts to consolidate local governments have been undertaken in many nations as one solution to the problems confronting urban regions. In the U.S., city-county consolidation was promoted in last century as a means to enhance efficiency in the production of public services. Following limited activity from the mid-seventies to the mid-nineties, supporters of the new regionalism have rediscovered city-county consolidation. Only twenty-five referenda occurred over the entire decade of the 1980s, but that number almost doubled in the 1990s (Blodgett, 1996). In early 2003 Louisville joined the ranks of consolidated governments and in the last five years more than a dozen communities including large cities like Cleveland, Pittsburg, Memphis, San Antonio, Buffalo, and Rochester have publicly debated consolidation of city and county.

What makes renewed interest in consolidation difficult to explain is that consolidation efforts are costly and contentious and the attempts meet failure about three-fourths of the time. In addition, the collective benefits promised for consolidation have not always been evident. This paper has offers an explanation for efforts to consolidate local governments based on the selective political incentives and strategic choices of reform entrepreneurs. This explanation provides a framework to integrate the literatures examining changes in local government boundaries.

Institutional choice is inherently political. If different institutions have biases toward different allocations of social values, then rational decision-making can never displace political conflict (Knott and Miller, 1987). Much of the public administration and urban politics literature depicts the governance of metropolitan

areas as a choice of between competition and consolidation. I argue this is a false dichotomy because there are almost always alternatives available to full consolidation of governments (Carr and Feiock 2004). To understand the occurrence and performance on consolidation requires investigation of the reasons why local actors pursue consolidation over its alternatives.

This paper critically reviews arguments for consolidation of governments in metropolitan areas and the performance of consolidated governments. Based on this evidence we argue that communities pursue consolidation for political rather than economic reasons. We then elaborate Feiock and Carr's theory of boundary change focusing on the selective incentives to pursue city county consolidation or alternative instruments to adjust local government boundaries. This framework is applied to integrate the literature on consolidation and to reconcile the popularity of city-county consolidation efforts with its performance. We find that arguments for consolidation are based on heresthetical strategies by supporters, not on its empirical consequences. The U.S. experience may provide useful insights for efforts to consolidate governments in other contexts.

### **Progressive and Neo Progressive Arguments for Consolidation**

The Municipal Reform Movement of the late 19th and early 20th centuries sought to reduce corruption and improve administrative efficiency. Municipal reform was championed by scholars of public administration, the local media, chambers of commerce and other business elites, as well as by "good government organizations." This same coalition has actively pursued city-county consolidation ever since (Carr and Feiock,

2002; Johnson, 2000). Progressives advocated city consolidation as means to reduce costs and promote efficiency in services by achieving economies of scale to reduce unit costs of government services and increase production efficiency through professionalization of management and administrative efficacies achieved by eliminating waste and duplication.

Recent work which describes itself as “neo progressive” bases its rationale more on the implications of consolidation for democratic governance, economic development, and equality (Lowery 2001). According to the neo-progressive argument, consolidation invigorates local democracy through increased participation and accountability and provides a mechanism to overcome barriers to coordinated effort among fragmented governments to facilitate regional economic development and redress of environmental externalities such as sprawl. Consolidation is also seen as a vehicle to reduce inequality and income differentials in metro areas (Lowery 2000; 2001).

Several lines of inquiry provide theoretical foundations for the neo-progressive case for consolidation. The first line of inquiry focuses on governance and the individual-level requisites for democratic politics. For meaningful democratic control of government, citizens must have valid information about what government is doing and how well it is doing it. Lowery and others contend that fragmented government undercuts accountability and makes it difficult for citizens to identify units responsible for providing services.

Consolidation has also been linked to social capital and civic participation. Neo-progressives point to greater psychological attachment to the community in consolidated settings than in their fragmented public economies. Citizens are expected to be more

engaged in civic issues and have higher levels of efficacy and political participation in consolidated governmental systems. Lowery also argues that citizens will be more satisfied when they receive--and pay for--the additional services that are provided by professional consolidated governments.

Because the consolidationist school portrays competition and cooperation as incompatible fragmented governmental units are seen as incapable of dealing with regional problems (Olberding, 2002). The presence of externalities provides another theoretical basis for advocating consolidation. To the extent that the costs and benefits of public goods, or the economic and environmental consequences of policy decisions, spill over jurisdictional boundaries, intercity competition results in externalities. Particularly in the areas of environmental policy and economic development, scholars, working under the rubric of “the new regionalism” argue that fragmented local governments are poorly positioned to address the housing, environmental, and transportation problems associated with urban sprawl and suggest that not only does fragmentation preclude concerted responses to the problems of sprawl, it is a major source of the problem (Rusk, 1993; Downs, 1994; Savitch and Vogel, 2000).

Consolidation is expected to enhance economic development by eliminating competition among jurisdictions and shifting the locus of development to the regional level. This change could enhance the bargaining position of government actors to counteract the market power of firms as well as reduce information costs. City-county consolidation can internalize development spillover effects and reduce incentives to provide unnecessary subsidies to business. Hawkins, Ward, and Becker (1991) assert consolidated government can better address problems of multi-jurisdictional economic

decline and geographically uneven development. Consolidation can also streamline the regulatory and development approval process (Feiock and Jeong, 2002).

Consolidation has also been advanced as a solution to racial and economic segregation through intra-metropolitan redistribution. Jurisdictional fragmentation allows for sorting of the population by tastes for public services and tax levels, permitting a more efficient match of preferences to publicly provided goods, but also offers a seemingly endless potential for “secession of the successful” into smaller, more socially advantaged units, and thus more metropolitan segregation and stratification (Hill, 1974; Neiman, 1976; Lewis, 2004). Suburbs and central cities are economically linked and inter-jurisdictional inequalities can have negative consequences for entire regions because the social and environmental costs of growth are particularly likely to cross jurisdictional lines (Savitch and Vogel, 1996; Barnes and Ledebur, 1998). The problems of sprawl and income redistribution are argued to be less severe when local government is consolidated (Rusk, 1993; Downs, 1994).

### **The Performance of Consolidated Governments**

The general conclusion of extant research is that consolidation in practice has fallen short of its promise. Market theories for public goods have generated a body of empirical evidence indicating that decentralized government results in greater efficiency than consolidated government and offer an approach to democratic governance based in civil society (Oakerson, 1999). A careful review of the evidence regarding the political, economic, and fiscal consequences of consolidation provides only weak support for consolidationist arguments. Evidence to support the progressive reform model’s

predictions that consolidation will reduce costs and enhance efficiency is particularly lacking. Arguments for cost savings through economies of scale, reduced duplication of effort, and greater technical capacity in service provision have been largely discredited by empirical research in the last fifteen years.

Public choice scholarship on metropolitan structure provides a theoretical alternative to consolidation in terms of allocative efficiency in public goods and services. Local government generally costs less in areas where general-purpose government is more decentralized (Schneider, 1989). Behavioral studies of citizen-consumers indicate that residents--at least those "marginal" consumers of major public goods such as education who have recently moved or are considering moving--can be knowledgeable observers of service quality and cost (Teske et.al., 1993; Bickers and Stein, 1998).

These findings are reinforced by longitudinal studies and comparative and case analyses that report consolidation led to increased, not decreased, taxes and expenditures (Erie et al., 1972; Benton and Gamble, 1984), higher personnel costs (Condrey, 1994), and greater dissatisfaction among employees (Durning, 1995). Even studies that report some efficiency gains stemming from consolidated government conclude that these benefits are small and are at least partly offset by the increased costs resulting from consolidation (Blomquist and Parks, 1995; Grant, 1964; Gustely, 1977; Miller et al., 1995; Rogers and Lipsey, 1974).

Neo-Progressive theory argues that consolidation enhances democratic control at the local level, promotes economic development, reduces inequality, and provides a more effective instrument for addressing externalities. The empirical record, although less complete, but does not provide strong support for the consolidation prescription. Several

recent studies have examined the implications of jurisdictional size and suburban separation for civic participation. Here, the findings indicate that “smaller is better” at least in terms of raw participation levels (Oliver, 2001). A study of Jacksonville over a twenty-year period confirms this conclusion. Electoral participation in the greater Jacksonville-Duval County area declined significantly following the consolidation of Jacksonville into a metro government (Seamon and Feiock, 1995).

Simple comparisons of satisfaction levels in matched neighborhoods in consolidated and fragmented settings failed to find the mean differences hypothesized by either traditional progressives or public choice scholars (DeHoog, Lyons, and Lowery, 1990). Overall citizen satisfaction did not vary systematically across the two types of governmental settings. Empirical support for the proposition that metropolitan government enhances economic development is also limited. In an analysis of development outcomes over time in nine consolidated governments, Carr and Feiock (1999) report no evidence of a link between consolidation and economic development in communities that enacted countywide consolidated governments. Manufacturing, retail, and service sector growth were not significantly different after consolidation and the growth patterns of consolidated counties were not statistically different from counties in the same state that not enacting the regional government reform.

Research on the ability of consolidated government to better address issues of segregation, growth management and environmental externalities is limited in both its scope and quality. Recent work has begun to examine the influence of consolidation on segregation. There is some evidence that jurisdictional fragmentation exacerbates segregation of poor from rich or of minority groups from whites in a metropolitan area.

Weiher (1991) suggests that political boundaries in a metropolitan area provide informational cues that reinforce residential and school segregation, but again the evidence is incomplete.

Finally, based on the assumption that cooperative norms are incompatible with fragmented jurisdictions, consolidated regional governments are presumed to be best able to address regional problems. Oakerson (1999) questions the assumptions upon which this argument is based claiming local governments can act collectively to create “a metropolitan civil society to integrate the metropolis across multiple jurisdictions through a web of voluntary agreements and associations and collective choices by citizens to constitute the provision side of a local public economy,” (Oakerson, 1999, p. 104). The formations and actions of regional partnerships in metropolitan areas provide support for Oakerson’s conclusions that regional governance can be achieved without regional government. Decentralized governments that cooperate through interlocal service agreements are able to sustain cooperation in a larger regional compact addressing regional problems (Feiock, Tao, and Johnson, 2004; Andrew 2005; Feiock and Sherstha 2006).

While the failures of reform may simply be the weakness of the theory behind the prescription, I have offered an alternative explanation (Feiock 2004). If implemented according to the textbook, the collective benefits may result, but business, academic, media, and other interests provide entrepreneurship for consolidation because they anticipate selective benefits as the outcome of consolidation. These selective benefits then take precedent over the collective good government benefits. These incentives can best be understood within a general theory of local government boundary choice.

### **A Selective Incentives Explanation for Boundary Change**

The alteration of local government boundaries has received substantial scholarly attention, yet previous efforts focused on the individual instruments of boundary change or separate reorganization of existing jurisdictions by annexation and consolidation from the formation of new local governance arrangements or governments. Boundary change is a mechanism for local actors to capture collective efficiency gains. Creation or extension of boundaries can enhance the ability of citizens to undertake cooperative actions and provide desired services. A group interested in creating or redrawing government boundaries to minimize transaction costs or achieve efficiency gains has an incentive to be a free rider, since all citizens would share these benefits.

Arguments for consolidation traditionally focus on collective gains from development, improved service delivery, and reduction of administrative inefficiencies. Nevertheless, collective benefits are limited in their ability to explain why actors pursue specific types of institutional changes and not others. There are often far easier ways to achieve the efficiency gains promised by city-county consolidation (e.g., functional consolidations through interlocal agreements, special districts etc.). Conflict over boundaries is often defined by perceptions of differences in the incidence of benefits and burdens created by different institutional reforms. Theories of public entrepreneurship (Schneider, Teske, and Mintrom, 1995) and local government reorganization (Burns, 1994) direct our attention to the selective costs and benefits to these actors of pursuing opportunities to change existing boundaries.

In a recent article in *Public Administration Review* (Feiock, Carr and Johnson 2006) we argue that city-county consolidation is fundamentally about seizing power from those interests most advantaged by the status quo. An effort to create a city-county government to replace the existing governments is a revolutionary change. While advocates seeking city-county government may cloak their arguments in terms of collective benefits such as efficiency, good government or community progress, reform is also a means for these same advocates to pursue more narrow, or selective, benefits for themselves and their allies.

Selective incentives are much more powerful motivators than are the diffuse, nonexcludable collective benefits attributed to city-county consolidation. Business interests, civic organizations, local officials, academic elites, and the local media each have potential to secure private benefits from metropolitan reform. While the motives of these actors are often attributed to a concern for efficiency, they also stand to have private or selective interests at stake.

### **Actors and Interests in Boundary Change**

State laws determine the rules of the game for institutional change, but while state governments are the architects of local government, the structure of local governments is the province of local actors (Burns and Gamm, 1999). Change in boundary and service arrangements involves using the political system rules specified at the state government level to refashion the political system at the local government level. Local actors exercise voice by using procedures set out in state laws to legally exit the existing jurisdiction to reside in another, although the geographic location of residence does not change. Certain

actors are better suited to affect boundary change through specific instruments and certain instruments are better suited to affect specific policies and service levels.

### **Entrepreneurs and Motivations**

City-county consolidation and its alternatives are each shaped by entrepreneurs, whether in support or opposition of consolidation. Annexation, consolidation, special districts and interlocal agreements are sometimes available as alternative mechanisms for collective action, but the choices among them are not distributionally neutral. To understand the motivations of entrepreneurs in pursuing one alternative over others we focus on selective distributional benefits.

Certain actors are typically supportive of reform including: university and civic organizations, the local media, the Chamber of Commerce, and industrial associations (Marando 1974). Suburbanites, public employees, and taxpayer groups usually oppose change. The work of Fleischmann (1986a), Burns (1994), and Foster (1997) attribute the involvement of public officials, suburban residents, developers, and manufacturing and other business interests pursue boundary change to secure economic gains and political or social advantage.

Potential entrepreneurs engage in rational benefit/cost analyses when deciding whether to become involved in efforts to change boundaries or institutions. Entrepreneurs are most likely to emerge when there is a convergence of the public interest, as expressed by political reformers, and the particular interest of those advocating reform. Reform recommendations are often advanced by groups seeking to impose their own preferences on the community, which they label as the “public interest” (Bish, 1971). Political

entrepreneurs seek to maximize their individual welfare independent of whether the institutions they advance benefit society as a whole (Knight and Sened, 1995). Boundary entrepreneurs may have expertise in administrative reform, the political process, finance and real estate, and the use of rhetoric and heresthetics. It is important to understand which of these actors--and in what situations--are capable of creating boundary change in line with their preferences.

### **Public Officials**

Elected officials are key players because many states empower local officials to enter into service agreements with other local jurisdictions without state or citizen approval. Most states give city, and to a lesser extent, county governments a primary role in initiating and approving boundary actions. Government personnel such as city and county managers and employees from large service bureaucracies like school, police, and fire departments can be important informal players in these decisions (Burns, 1994; Miller, 1981).

There will often be two or more sets of public officials involved in these decisions. The resulting transfer of rights and responsibilities from one jurisdiction to another may put officials from city and county governments on opposing sides. However, not all boundary adjustments are city-county issues. Some changes, such as the creation of large special districts, impact upon multiple city and county governments, although the narrow purpose of these governments may generate little opposition from the affected governments. Public officials often find municipal annexation, interlocal agreements, and the formation of special district governments to be effective strategies for altering service arrangements. City-county consolidation will generally be a less attractive option

for public officials. The most vigorous opponents of these proposals are often public officials.

Interlocal agreements and the formation of special districts can be useful strategies for public officials to achieve service delivery goals. Unlike annexation, however, special districts are likely to increase total government spending within the community (Foster, 1997). Public officials sometimes create special districts to circumvent expenditure and debt constraints on municipalities to alter the level of redistribution occurring through service delivery, or shield expenditures from the politics of the city budget (Porter et al., 1992; Foster, 1997). The value of districts to city officials is reduced to the extent that control is limited and district officials are responsive to “low-power” administrative incentives rather than “high-power” political incentives (Frant, 1997). Special district autonomy is increased where districts span several existing governments and where the district’s activities are funded through user fees or dedicated revenue streams. The creation of special district governments as a strategy to protect specific functions requires that public officials balance the benefits of insulation from political influence against the costs of reduced control over service delivery by the local government. For this reason, when feasible, public officials can be expected to prefer “dependent” special districts, subordinate to the local government and directed by officials appointed by the municipality’s governing board or its elected executive officer.

Interlocal service agreements rely on an administrative, rather than political approach. Rather than redrawing political boundaries through a referendum process, interlocal agreements are typically created at the administrative level and ratified by one or more participating jurisdictions. Thurmaier and Wood (2004) identify four levels of

shared interlocal functions ranging from communication to full political consolidation of two local governments. Communication involves networking, dialogue, and information sharing. Coordination involves the sharing of resources, personnel, equipment, and joint efforts to accomplish a task. Collaboration involves two or more jurisdictions merging a function or one jurisdiction manages a function for the other. Political consolidation involves two or more jurisdictions becoming a single government. Communication, coordination, and collaboration are usually accomplished through interlocal agreements, but political consolidation always requires statutory authorization and approval by the citizens.

City-county consolidation is often opposed by county government officials, but supported by city officials. This suggests consolidation may be an attempt to expand the power and jurisdiction of city officials. When city leaders anticipate retaining office in the new city-county government, consolidation can amount to a hostile takeover of the rest of the county. Government employees' interests in boundaries may parallel those of their elected leadership. Changes which extend the scope and powers of their jurisdiction can enhance autonomy and job security.

### ***Private Business Interests***

Extant research has neglected the role of business interests in influencing political boundaries. These studies instead emphasize the role of public officials, suburban residents, and various civic organizations in explaining the success or failure of metropolitan reforms (e.g., Marando, 1974). To the extent that business interests have been considered in studies conducted prior to the mid-1980s, they were seen as secondary

to these other actors. Recent work has posited a more central role for local business interests in determining jurisdictional lines.

The influence of private business in local boundary changes is particularly clear for the creation of new governments. Burns' (1994) research on the formation of new governments demonstrated that business interests were active participants in the formation of special districts and the incorporation of new municipal governments for much of the past fifty years. McCabe (2000) has shown that the presence of infrastructure contractors increases the probability that new special district governments will be formed. She argued that heavy construction firms see special districts as a means to finance the infrastructural improvements that keep them in business. In contrast, she found that the presence of general developers depressed the creation of new district governments. She concluded that these developers tend to be strongly represented in the regimes of existing governments and the formation of additional units adds more complications than benefits.

Arnold Fleischmann's (1986b) analysis of annexation activity in Milwaukee and San Antonio from 1940 through 1980 showed that business interests--often in coordination with public officials--were active players in annexation decisions throughout the period. Development interests are often active opponents of consolidation proposals. Developers may fear that their influence would be less in a metropolitan government, and that they would lose the ability to carve out the narrow jurisdictions better suited to their needs.

As in the case of public officials, business organizations do not necessarily share the same goals with regard to boundary change. There is typically not a single monolithic business interest and the preferences of business organizations differ across industries

and from one firm to the next. One distinction is between the “downtown” business interests, such as the Chamber of Commerce, and the more suburban developers and small retailers. A recent survey of cities experiencing consolidation efforts showed that the Chamber of Commerce nearly always supports city-county consolidation, whereas support from the rest of the business community is more mixed (Carr and Johnson 2002). Similarly, Burns found that manufacturers seek to form new municipal governments in order to shield themselves from higher-tax jurisdictions, whereas real estate developers are more interested in forming special district governments to raise funding for infrastructure improvements that benefit their properties. The interests of business vary and thus preferences for boundaries differ as well.

While business organizations are not provided with the level of procedural access given to public officials and property owners, the initiation and approval processes set out in state laws generally work to their strengths in organizational and financial resources. By definition, business organizations are organized and are often well-financed. These characteristics give business organizations an advantage in translating their preferences into boundaries. Another advantage that business interests possess is their perceived importance to local economies (Lindblom, 1977; Schneider, 1989). A number of studies suggest a substantial degree of cooperation between business and public officials with respect to boundary change (Fleischmann, 1986b).

Two other actors that are often actively involved in local government boundary change have a stake in the topic that may be, at least partially, based in their economic interests in the community. These two actors, the local media and the university community, are most often perceived as acting on behalf of the collective interests of the

community, but several studies suggest that city-county consolidation serves their own selective interests as well (Feiock and Carr 2000; Carr and Johnson 2002). Feiock and Carr (2000) have suggested that the nearly unfailing support by public administration faculty for city-county consolidation is not only based in the expectation of “good government” benefits for the community, but that the professionalization of local government also brings selective benefits to the business of public management. Among these benefits are the expansions of graduate programs in public management, policy, and urban planning; increased status of these disciplines in the community, and more opportunities for public management professionals to influence policy decisions and to advise the leaders in the community.

Likewise, the local media, particularly the daily newspaper, are prominent supporters of city-county consolidation. Indeed, Mead (1994) has contended that the Charlotte Observer single-handedly kept city-county consolidation on the agenda in Charlotte and Mecklenburg County for over fifty years. Each election cycle the newspaper’s editorial staff would raise and promote consolidation, keeping the issue on the agenda when other community leaders were willing to let it die. Like the academic community, media support is ostensibly based in the objective of good government, but the creation of a large complex, often urban, government carries important selective benefits for the media as well. Feiock and Carr (2001) suggest that a consolidated city-county government enhances the regional dominance of the central city and with it, the media based in the city. Consolidation creates a metropolitan perspective, thereby expanding the readership base of the newspaper, affecting subscriptions, advertising revenue, and the status of its staff in the community and among their media colleagues

across the nation. City-county consolidation also brings a larger and more complex government to the community. Such a government is more difficult for the average person to access and understand, making the media's role in explaining complex issues and acting as an advocate for citizen interests even more important.

### ***Resident Interests***

Citizen or resident interests may take any number of forms. For example, boundary entrepreneurs may include homeowner associations or civic organizations. They may also include anti-tax groups and religious organizations. Alternatively citizen interests may correspond to racial, income, or geographic differences, such as coalitions of wealthy suburban whites or poor urban blacks. Ultimately, resident interests are all those parties that are not public officials or economic actors seeking boundary change because of its effect on their business interests. This does not imply that any or all of these actors truly represent the general community interest, but merely that their motivations are not rooted in their roles as economic or governmental actors. A variety of studies have documented the importance of resident interests in attempts to reorganize local boundaries. Most of these analyses focus on suburban residents' opposition to boundary changes, with the presumption that much of this opposition comes from groups that are whiter and wealthier than residents in the central city. Unfortunately, this narrow focus has resulted in exclusion of other resident interests in the community.

There can be substantial conflict among resident interests, especially in terms of income, race, and geography. The nature of the conflict depends on the particular means of boundary change used. Instruments such as city-county consolidation and special

district formation often involve changes simultaneously affecting large numbers of people, while service boundary changes through interlocal agreements among local governments and municipal annexation, normally involve smaller populations.

Annexation or city-county consolidation often stimulates conflict in terms of location; city dwellers are pitted against residents from unincorporated areas of the county. Again, this basic dynamic is evident in city-county consolidation; while city residents generally approved these proposals, residents in the county almost always rejected consolidation. Explanations for county residents' behavior range from differing preferences for service provision to tax avoidance and racial prejudice. Racial composition of jurisdictions is often assumed to play an important role in opposition to boundary change (Weiher, 1991). Opposition to municipal annexation sometimes comes from suburban residents of the area targeted for annexation in order to prevent higher taxes, greater racial diversity, or decreased local control. On the other hand, studies of interlocal agreements and service consolidation among local government units and of special district formation have not generally been as concerned with conflict and implicitly suggest that resident opposition to these arrangements is infrequent (Foster, 1997).

Individual residents normally lack the financial and organizational resources to be thought of as boundary entrepreneurs in the same sense as public officials and business interests, but many of the resident interests described here exist as organized groups. For example, religious, civic, and educational organizations may have sufficient organizational and financial resources to act as boundary change entrepreneurs. In some cases, these interests may have the same ability as business interests to translate their

preferences into boundaries, though this ability may be constricted somewhat by the small size of many of these organizations, and by the other interests of their members.

Based on this examination of selective interests in metropolitan reform, we expect each actor's preference for specific types of service arrangement will be a function of the selective benefits it will provide. This may not be the same in every instance because state level rules define the payoffs from each type of institutional change. In addition, these rules determine the ability of local actors to transform their preferences into boundaries because they determine the costs of pursuing each type of instrument.

Certain circumstances and community characteristics influence the supply of entrepreneurs and can stimulate entrepreneurial behavior. Mark Schneider and his colleagues (Schneider, Teske, and Mintrom, 1995) conceptualized these conditions as community-based factors that alter the costs or benefits of entrepreneurial action. Their empirical work examined the role played by regional location, and by political, fiscal and budgetary, and demographic factors in the probability of finding an entrepreneur in a community. They concluded that these conditions create systematic opportunities for (or barriers to) political entrepreneurship. Thus, an analysis of the promotion of boundaries must also consider the role played by events within the community.

Community conditions have been linked to proposals for various types of boundary change (Burns, 1994; Foster, 1997). Walter Rosenbaum and Gladys Kammerer's (1974) work on modeling successful consolidation referenda provides a model of the consolidation process that identifies key events that disturb the citizen-government relationship and, in doing so, stimulates reform proposals. Rapid changes and highly visible events create opportunities for entrepreneurial behavior. Business,

civic and academic elites often play the key role in seizing the opportunity created by a crisis climate to put boundary change on the agenda and seek to undermine public confidence in the existing administration. Marando (1974) observed that reform proposals were not the product of grass-roots movements to improve local government, but were instead efforts initiated by community elites. These elite groups were adept at recognizing and articulating government problems, but they were often unable to convince the public that these problems were important enough to undertake a major reorganization. This underscores our conclusion that certain actors are effective at getting reform on the local agenda, but may lack the resources necessary to sustain a successful campaign, particularly where a referendum in both the city and the county is required.

### **Reconciling Reform with the Record**

Often the public interest, as expressed by political reformers, coincides with the particular interest of those advocating reform. Previous study has tended to focus exclusively on the collective benefits of reform such as administrative efficiency, professionalism, and good government and has neglected the fact that institutional changes also have distributive consequences for individuals and groups in the form of economic, political, or status gains. It is these selective costs and benefits, rather than efficiency and good government that are most likely to motivate entrepreneurship and collective action.

These private or selective incentives are produced only if consolidation is successful. Consolidation is almost always opposed by specific interests who would be harmed by elimination of duplication, or reduction in administrative and political offices.

Because the selective benefits for reformers do not depend on the collective benefits being achieved, consolidation of governments provides economic, professional, and status benefits to the individuals and groups backing reform even if it does not enhance efficiency, democratic accountability, or economic development.

The consolidation charter is central to understanding how a merger may create benefits for the consolidation entrepreneurs but not deliver its promised collective benefits. The consolidated government created by the charter often bears little resemblance to the model prescribed by progressive or neo-progressive theory. Charters often leave incorporated areas, do not restructure special districts, retain duplicate functions and agencies, include guarantees of no workforce reeducations, level pay scales up, and even retain constitutional officers where the elimination would threaten passage of the charter (Carr and Johnson, 2002).

## **Conclusion**

The boundary change framework described here provides a framework to organize and interpret empirical studies of metropolitan reforms. By providing a single explanation for the use of these varied instruments to create new boundaries or expand old ones, it integrates the highly fragmented literatures on local government boundary change and service delivery arrangements. This framework views boundary decisions as the product of actors seeking particular outcomes within a local context of existing governments and established rules. Actors, strategies, and outcomes change over time as past decisions foreclose some possibilities and create others. Those factors that explain decisions in one community or period of time may be less important in others, as actors

shape the context of boundary change and this context shapes future motivations, strategies, and actors. Such a framework is important to the field of urban politics because it provides a linkage between boundary choices and policy outcomes at the local level. This approach might also be extended to address other institutional choices thus providing a foundation of a more general model of institutional choice and institutional entrepreneurship in local government. City-county consolidation is part of an ongoing struggle in which different interests seek to institutionalize their preferences into the structure of local government. Supporters and opponents use heresthetical strategies to exploit latent attitudes in the community as they struggle over this issue. The claims they make often have little to do with the actual effects of the proposed reorganization, but this is largely irrelevant. City-county consolidation is not about efficiency, racial division, or even economic development. It is fundamentally about political losers trying to be winners and the current winners trying to prevent this turn of events.

In some communities consolidation proponents have gained strategic advantage by associating city-county consolidation with preferences for increased economic development (Leland and Thurmaier 2004). In earlier efforts race was used in the same way Leland and Thurmaier describe economic development. The success of consolidation efforts in the 1960s resulted from proponents successfully exploiting racial tensions in the community by suggesting consolidation would be an effective mechanism to stunt growing African-American political power. Today, proponents are more likely to suggest that economic development will be enhanced. However, it is not the substance of economic development issues that is important; it is the exploitation of latent attitudes. The efficacy of emphasizing the economic development dimension will depend upon the

strategic situation. The specific latent attitudes available to be exploited for the support or opposition to city-county consolidation vary across communities and over time. Recent empirical work demonstrates that the combinations of claims made about the likely effects of consolidation vary enormously from one community to the next and that neither economic development nor any other single set of claims emerges as key to rejection or approval of the charter (Feiock Carr and Johnson 2006).

Because the selective benefits that motivate reformers are produced only if the reform effort is successful, bad reform is considered better than no reform. While most advocates of city-county consolidation genuinely believe in the reforms they advocate and value the collective benefits it might produce, they have an incentive to accommodate any special interest that might potentially endanger the success of the reform effort. The result is consolidation charters that can never deliver the promised benefits. I have described this as the reformers' "deal with the devil" (Feiock 2004). Passage of reform proposals are secured by accommodating opponents to reform with charter provisions that dissipate the potential economic and administrative efficiency benefits of city-county consolidation to the larger community.

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