

# New Regionalism in the U.S. Metropolitan Area : Consolidated Government and Alternative Institutions for Regional Governance

미국 메트로폴리탄 지역에서의 신지역주의 경향  
: 통합지역정부와 지역 거버넌스를 위한 대안적 제도들

Richard C. Feiock Augustus B. Turnbull Professor of Public Administration,  
Askew School of Public Administration and Policy,  
Florida State Univ. (Primary Author)

Hyung-Jun Park Research Fellow, Korea Institute for Public Administration

※ Key words: Transaction Cost, City-County Consolidation, New Regionalism,  
Interlocal Agreement, Interlocal Collaborative Strategy, Regional  
Governance

## Contents

- I. Introduction
- II. Regionalism by Consolidation of Local Governments
  - 1. Neo-Progressive Reform and City-County Consolidation
  - 2. Transaction Costs and Consolidated Government
- III. Alternative Paths to Regionalism
  - 1. Governmental Alternatives
  - 2. Governance Agreements
- IV. The Politics of Regional Reform
- V. A Political Model of City-County Consolidation
- VI. Conclusion

## I. Introduction

Studies of the organization of local government in metropolitan regions have produced some of the most important and enduring questions for the fields of urban politics and local administration. Renewed interest in local institutions and the organization of governments in metropolitan areas has coincided with the rise of the 'new regionalism' movement in political science, planning, and public administration.

Consequently, there have been increased calls for a regional approach to the problems confronting America's urban areas (Downs, 1994; Brookings Institution, 2002).

For some scholars regionalism entails traditional governmental prescriptions for metropolitan areas such as centralization and consolidation of local government units and functions (Stephens and Wikstrom, 2000; Savitich and Vogel, 2000). Consolidation builds upon and extends arguments from the progressive reform tradition that emphasized structural reform of local governments (Lowery, 2000).

The Progressive reform movement of the early 20th century relied on centralization of authority to wrest control of local governments from the political machines that had come to dominate municipal politics. The legacy of that movement has been continued

support within public administration for centralization and consolidation of governments as a means to promote efficiency, equity, and accountability (Carr and Feiock, 2003).

This paper critically examines consolidation of governments and various other regional alternatives, outlines important issues confronting contemporary efforts at regionalism, and sketches a theoretical approach, based in part on collective action theories and transaction cost theory, to understand both the forms of regionalism and the motivations for pursuing regionalism. Alternative mechanisms for organizing the provision of public goods within metropolitan areas based on governmental and governance approaches are then described in terms of their functional and geographic scope. These include the consolidation of existing governments, municipal annexation, special districts, interlocal agreements, and regional organizations. The transaction costs and performance of consolidation and each alternative are critically examined.

This analysis suggests that governance based approaches to regionalism have efficiency advantages over consolidation. This begs the question of why consolidation is the prescription primarily advocated by scholars of public administration (Leland and

Thurmaier, 2006). We account for this preference as the result of the politics of regional reform in the U.S.

## **II. Regionalism by Consolidation of Local Governments**

### **1. Neo-Progressive Reform and City-County Consolidation**

Consolidation of local governments, typically the county government and cities within it, has gained renewed popularity and scholarly interest. Only 25 consolidation referenda occurred over the entire decade of the 1980s (Carr & Feiock, 2002). However, in the wake of the successful city-county consolidation of Louisville and Jefferson County, Kentucky in 2000, dozens of communities have either put consolidation referenda to voters or conducted consolidation studies in anticipation of such a referendum (Carr & Feiock, 2002). Most recently, several large industrial cities in the northeast including Cleveland, Buffalo, Pittsburgh and Rochester initiated consolidation efforts.

Savitch and Vogel (2000) contrast government versus governance as competing forms of regionalism. City-county consolidation falls squarely in the first category. City-county consolidation builds upon the progressive reform tradition that

emphasizes structural reform of local governments. Consolidation efforts can be placed in the context of both the 'progressive reform' and 'new regionalism' movements. Historical review of municipal reform movements provides context for examining the logic of city-county consolidation and the arguments for consolidation grounded in values of efficiency, accountability, and good government. Proponents of consolidation see it as an avenue to a new form of government, one that will emphasize efficiency, effectiveness, equity, and accountability to the entire community.

Recent work within the progressive reform tradition elaborates these arguments by asserting that consolidation of local governments modifies the configuration of local governance in a manner that creates low-power incentives that allow for a greater emphasis on city-wide issues and constituencies, and enhances the role of professional expertise in informing public decisions. Consolidated government is presumed to allow for greater consideration of regional interests, rather than more narrow territorial interests. This again suggests that consolidation of city and county governments should translate into more efficient and professional local government.

Recently, progressive reform approaches have been supplemented, and at some points

displaced, by 'neo-progressive' arguments based on the implications of governmental consolidation for democratic governance, economic development, and equality. According to the neo-progressive argument, consolidation invigorates local democracy through increased participation and accountability. Consolidation also provides a mechanism to overcome barriers to cooperation, to redress environmental externalities and urban sprawl, and to reduce inequality and income differentials in metro areas. The neo-progressive case for consolidation draws from literatures on smart growth and sprawl in urban planning, theories of democratic accountability, as well as the study of citizen information and satisfaction with service delivery (Lowery, 2000).

## **2. Transaction Costs and Consolidated Government**

Despite the long standing arguments for city-county consolidation made by the progressive and neo-progressive reformers, the fact remains that communities most often forgo governmental consolidation in favor of other approaches. Brierly (2004) questions why new governments are created more often than existing governments are combined if economies of scale are so widely expected to result from regional production of services.

He asserts that choices in favor of new governments result from an awareness of the high transaction costs that result from large area-wide governments. The transactions to which he refers are the stream of decisions that occur as a part of the provision and production of public services. Included in the costs of transacting are coordination, contracting, and contacting costs. He asserts the cost of transacting is maximized in metropolitan government because organizations with monopoly control maximize the number and scope of transactions within bureaucracy.

Thus, any reorganization that consolidates functions to a centrally located administration with a single mechanism for allocating policy increases transaction costs within organizations and between residents and service providers.

Even if scale economies are possible, they may be offset by higher coordination costs because a consolidated bureaucracy will typically provide services at a large number of locations. Furthermore, each service is likely to have a different market area, so that each service must be provided by a large number of different locations. Thus, communities confront the following dilemma with city-county consolidation: combining the governments may reduce some per capita costs in producing public services, but increase

overall costs.

The need to centralize administration in large scale organizations can also reduce access and encourages uniform service provision. Consolidation can work against citizen involvement by increasing the costs to citizens of contacting the various service departments of this larger government.

Also, the move to uniform service provision makes it more difficult for the government to respond to differing preferences for services across a larger and typically, more diverse communities. A preference for small jurisdictions and decentralized governance may not be simply a preference for minimal government, but for government that is more coordinated, understandable, and easier to manage.

### III. **Alternative Paths to Regionalism**

A review of the evidence regarding the political, economic and fiscal consequences of city-county consolidation suggests the ability of regional governments to produce the benefits promised by its proponents has not been established. Claims that these benefits are evident in existing consolidated governments are a staple of newspaper editorials, but systematic analyses of the political, economic, and fiscal effects of city-county consolidation are conspicuously

absent. This is partly due to an over reliance on case analyses approaches. A second reason is that studies of city-county consolidation often focus primarily on the process of creating city-county governments. Unfortunately, much of this literature engages in advocacy rather than analysis. The objective has not been to document the effects of consolidation, but to discover why a particular community successfully adopted city-county government. This emphasis on process is intended to inform consolidation reformers how to replicate these winning efforts in their own communities.

A careful reading of the evidence indicates that the progressives' efficiency claims have been discredited and support for neo-progressive arguments is not much stronger. Several studies indicate that consolidated governments do not enhance economic development, and in specific cases have led to increased taxes and expenditures, greater dissatisfaction among employees, and reduced turn-out in local elections (Carr and Feiock, 2004).

Furthermore, studies reporting positive outcomes stemming from unified government often conclude that these benefits are small, or at least, are partly offset by the costs of consolidated government. In a recent article we argue efficiency gains are not realized because the selective benefits that motivate

the subset of supporters willing to bear the costs of initiating and sustaining these efforts overpower collective 'good government' benefits. The result is that the political bargains that are necessary to gain political support for consolidation result in modifications that dissipate its potential collective benefit (Feiock et al. 2006).

Over 25 years ago Vincent Marando (1979) pressed the academic community to begin to examine alternatives to city-county consolidation. This encouragement was based on a recognition that city-county consolidation was simply too difficult to achieve in most communities and that other, less radical, changes were more politically feasible. In the years since Marando's call, empirical evidence mounted that these other approaches may provide many of the same benefits as consolidation, but without the

concomitant maladies associated with a single metropolitan government.

The alternatives include other governmental approaches to regionalism such as municipal annexation and the use of special districts as well as governance approaches such as contracting for services through interlocal agreements with other governments, and regional councils or partnerships.

It is useful to compare the governmental and governance alternatives in terms of their functional and geographic scope by type of cost. Figure one presents eight distinct mechanisms for regionalism. Both governmental or governance approaches can be applied to a single service or a multiple services. It related with asset specify They also vary in geographic scope from small sub areas of a county to an entire county.

<Figure 1> Alternatives by the type of Governing and Scope of Service purpose and geography

Governing Type	Government		Governance	
Classification by service purpose and Function Geographic Scope of Service	Single	Multi	Single	Multi
Narrow	Dependent Special District	Annexation	Service Agreement	Inter-local Agreement
Broad	County Wide Special District	City-County Consolidation	Metropolitan Planning Org. Regional Partnership	Council of Government (COG)

Source: Figure made by Authors

None of these alternatives provides all of the benefits promised by the advocates of city–county consolidation, but taken as a group, they achieve many of the same benefits as full governmental consolidation. Equally important, each alternative may very well provide its benefits at a lower cost to the community than city–county consolidation (Carr. 2004).

### **1. Governmental Alternatives**

Governmental alternatives to city–county consolidation such as annexation and special district governments create opportunities to capture some of the benefits of scale economies, when present, while avoiding some of the coordinating and contacting costs seen in metropolitan government.

#### **1) Annexation: Multi-purpose Control and Cooperative Approach**

There are traditional approaches to unifying the urban area under the comprehensive control of a single government that should be mentioned, although they are now obsolete as mechanisms for regional integration. Annexation was used to bring newly developing unincorporated areas on the fringe of the city into the municipality. In most states, it is not an option for one of two reasons. First, the city may be surrounded by other incorporated municipalities, and there

is no land is available for annexation. Second, approval of the residents of the area to annexed is required, and residents of outlying areas do not want to be part of the city. In a few states, e. g., North Carolina, unilateral annexation by cities is still legally possible and commonly used, and as noted above, the incorporation of new municipalities close to existing cities is restricted. The combination of annexation and limits on incorporation are important for maintaining the vitality of cities, particularly larger central cities. It is not, however, appropriate for unifying the whole region which is composed of many cities.

Municipal annexation extends the boundaries of a municipal government by adding territory from the unincorporated county area. The geographic scope is small but the functional scope is great because all of the city services are extended to the annexed area.

Thus it is an alternative to city–county consolidation that may enable the community to achieve a better trade–off between scale economies and coordination costs. It permits the municipality to expand its customer base to a level that can effectively capture scale economies. Municipal annexation can also prevent the fragmentation of metropolitan areas into numerous small jurisdictions, each producing services at a level too small to be

cost effective.

Complicating the use of municipal annexation is that it is a means both for seeking scale economies and for gaining control over suburban land area (Carr & Feiock, 2003). Municipal expansion through the annexation of fringe areas has long been an avenue for cities to protect their tax base and pursue economic development. As a method for controlling land use, annexation can be used to permit activities that would not have gone forward under the previous jurisdiction or to stop activities that would have happened.

## 2) City-County Consolidation: Multi-purpose of Control and Coordinative Approach

As a consequence, annexation is often viewed as a tool that benefits cities at the expense of other local governments (Carr & Feiock, 2003). Indeed, city-county consolidation is often presented as a way to stop large scale annexations.

In some sense governmental consolidation is simply annexation of incorporated and unincorporated territory together. Indeed, the implications of these two alternatives for the transaction costs of providing and producing public services are similar. Both approaches lead to a large scale organization with monopoly (city-county consolidation) or near monopoly (municipal annexation) control over

decisions of provision and production of public services. Of course, annexation almost always occurs on a smaller scale than city-county consolidation, which creates opportunities for lower coordination and contacting costs. They also share the ability to create a more visible, higher status jurisdiction, an outcome often prized by the community's 'boosters'.

For some, simply being bigger is better: a greater population translates into greater importance on the national stage. However, when viewed in terms of the politics surrounding their use, annexation and city-county consolidation are very different activities. Consolidation involves more than the extension of an existing government to a new set of people it is the opportunity to create a new government for all (or virtually all) of the county's population. No matter how extensive an annexation may be, two facts remain: First, for most of the people in the community, their government does not change. They either already live within the existing municipal government or they are not part of the territory to be annexed. Second, for residents of the area proposed for annexation there is less uncertainty because the choice is between the existing structure and the municipal government. With city-county consolidation, an entire new government will be created through the process. This raises the stakes enormously

and sets the stage for an intense political struggle over the rules governing the process for writing the charter, the structure of the new government and the powers it will possess, and whether it is adopted. The politics of city-county consolidation is discussed at greater length in the next section.

### 3) Special District: Single Purpose Cooperative Approaches

Another governmental approach is special districts. Special districts can be narrow or broad in their geographic scope. These governmental units created to provide a specific function, e. g., waste water treatment, over an area that is larger than a city or county. These are not necessarily, but may be, regional in scope.

Sub county districts provide services to a subset of the county. County wide or multi-county distraction provide services to a larger geographic area. The formation of special districts can provide a mechanism for achieving the scale efficiencies sought through governmental consolidation. Formation of special district governments has been widely used by cities to facilitate regional planning, access new revenue sources, circumvent local debt restrictions, and to ensure that the cost of service provision is distributed among all residents

receiving the service. Importantly, both approaches are capable of solving trans-jurisdictional problems.

In contrast to the status-enhancing benefits of city-county consolidation and municipal annexation, special district governments have low public visibility. The general public is often unaware that these arrangements are in place and rarely is their use subject to significant public debate. Nevertheless special districts arrangements have substantial permanence. The creation of a special district government is the creation of a new political jurisdiction. This new jurisdiction may be empowered to levy taxes, borrow money, and be politically independent from all of the preexisting local governments. Kathryn Foster (1997) has argued that political leaders use districts to protect spending on certain services. Provision through special districts gives services a dedicated revenue stream and removes them from the normal appropriations process, allowing the beneficiaries of this spending to avoid direct competition with the spending priorities pressed by others in the community.

Districts overlap rather than replace existing arrangements and consequently, add to the complexity of local governance. Thus, desires for responsiveness must be balanced against the benefits of scale economies. Special district governments may

substantially increase contacting costs, as residents will often not understand which jurisdiction has responsibility for providing service nor recognize that the service is provided by a jurisdiction politically independent from the city and county governments.

Critics argue that special district governments intensify governmental competition while simultaneously draining the tax base in the name of narrow interests (Foster. 1997). Specifically, private business interests are often cited as directly benefiting from special interest governments at the expense of the wider community. Scholars of regional studies (Lowery. 2000; O'Looney. 2004) view large numbers of special districts as significant obstacles to effective regional governance.

Despite these criticisms, special district governments play an important regional role as instruments of competition and cooperation (Burns. 1994; Carr. 2005; Foster. 1997; McCabe. 2000). Creation of county-wide and multi-county districts typically requires regional cooperation. Uncertainty can create a need for municipal governments to forge regional institutional arrangements. Nevertheless, most districts are set up by a single jurisdiction rather than multiple jurisdictions and thus serve a small geographic area. Multi-city or multi county

districts can operate on a regional level and can thus provide regional governance on a service by service basis. Regional district require collective action because requirements of state law make the consent of exiting government units a requirement for their formation.

## **2. Governance Arrangements**

### **1) Interlocal Agreement(ILA): Single Purpose Cooperative Approach**

Interlocal service agreements are the result of voluntary transactions between two or more than two local governments and can take various forms: from simple memorandum of understanding to highly formal inter-local service contracts or joint service agreements. Park's (2005) research reports on average 45.2% of local governments within metropolitan area have revenue from interlocal agreements.

The geographic scope of interlocal agreements is limited but they can encompass intergovernmental service contracts for a single service as well as multi service mutual aid agreements. Interlocal agreements have increasingly been utilized by local governments to solve problems of inefficiency that arise from scale economies and inter-jurisdictional externalities in fragmented settings (US ACIR. 1983;

Thurmaier and Wood. 2004). These problems are greatest in urban areas where horizontal fragmentation is high thus providing considerable opportunity for mutual gains through collaboration. A network of voluntary arrangements thus constitutes a macro-level regional governance structure that comprises a set of actors in a social network (Feiock. 2004).

Efficiency gains from scale vary substantially across different service types because these gains are dependent upon the cost and output characteristics of the goods and services being produced. Interlocal agreements can selectively target particular good and services that exhibit externalities or scale economies. ILAs grant greater flexibility than other regional governance arrangements because the parties can modify their terms or choose not to renew. Even if agreements commit the jurisdiction to contractually-mandated spending levels, commitments can be changed over time and the expenditures on contracted services are openly debated when the jurisdiction's budget is adopted and must be justified in light of the jurisdiction's other needs.

In contrast to municipal annexation and city-county consolidation, ILAs do not displace preexisting arrangements. Although ILAs can reduce production costs and mitigate externalities, there may be substantial costs

in finding partners, negotiating agreeable terms and enforcing the provisions of the agreement.

## 2) Regional Governance Organization

An increasingly popular regional governance strategy is the formation of a Regional Governance Organizations (RGOs).

By definition the geographic scope of regional governance organizations is great but they can be focused on a single service as is the case with regional economic development partnerships, or they can be created to coordinate policy across multiple service areas as with regional councils of governments. When local governments confront common regional problems, they sometimes pursue coordination with other local entities (Stephens and Wikstrom. 2000; Thurmaier and Wood. 2002). RGOs are not governments, but instead voluntary organizations of local government officials that provide arenas where local governments interact to pursue mutual benefits of interlocal service cooperation.

### (1) Regional Partnership: Single and Multi-Purpose of Cooperative Approach

Development partnerships are defined as an "alliance formed by local governments, often with the help of private sector firms and nonprofit organizations, that has a mission of

enhancing the economy of a multi-jurisdictional area" (Olberding. 2002; p253). Regional economic development partnerships have been a popular institution in U.S.

For example, Denver metropolitan areas has several regional partnership which are 'Metro Denver economic development corporation', 'The Erie Economic Council', 'Greeley/Weld Economic Development Action Partnership', 'The Parker Economic Development Council', and 'South East business Partnership'. Olberding (2000) identified 191 regional partnership for economic development of 244 metropolitan areas. These organizations coordinate and collectively support marketing and recruitment efforts and in some instances impose constraints on members (Olberding. 2000). Park's (2005) research also identified 107 metropolitan wide regional development partnership of 269 metropolitan areas. Use of these targeted regional strategies has increased steadily. Since the early 1990s, there has been a dramatic resurgence of regional economic development cooperation in U.S. metropolitan areas. Before 1990, some metropolitan areas had regional economic development organizations, but there is a difference between the old style Economic Development Corporation (EDC) and the regional partnerships that emerged after

1990. Old style regional cooperation was just an implementation agency created by the chamber of commerce. Federally mandated regional planning council took a role of regional policy-maker and coordinator. Dodge (1990) argue that "the federally mandated regional planning efforts and consolidation proposals of the past three decades are being replaced by voluntary cooperation among local governments and sectors through public-private, inter-community partnership" (Dodge. 1990, 1992 : p354). This style of regional partnership creates a voluntary coalition among governments and private sector organizations. Regional partnership fosters not only a nonprofit economic development implementation agency, but also a policy network for economic development. It represents form of regional governance. It is dedicated to developing broad-based, long-term strategies for regional problem solving and coordination benefit and cost of regional cooperation for economic development through active engagement of stake-holders. Many old style partnerships have evolved into regional partnerships. For example, the Chamber of Commerce founded the Greater Denver Corporation in 1987. This was succeeded by the Metro Denver Network the Greater Denver Corporation and finally the Metro Denver Economic Development Corporation (MDEDC). The MDEDC is consist

of counties, cities, and economic development agencies from throughout the seven-county Metro Denver area.

(2) Council of Government (COG): Multi-Purpose of Coordinative Approach

Most regional Councils of Government are examples of multi-purpose of coordinative approach. Councils Of Governments (COGs) are voluntary associations of local governments formed under state law. These associations deal with the problems and planning needs that cross the boundaries of individual local governments or that require regional attention. Regional services offered by councils of governments are varied. Services are undertaken in cooperation with member governments, the private sector, and state and federal partners.<sup>1)</sup>

They depend of member governments for support and authority, provide services to members, provide a forum for discussion of regional issues, and raise regional consciousness. Some do regional goal setting, although they rely on governments and other organizations in the region to voluntarily

work on the accomplishment of goals. Until now, almost 80% county and municipal government in U.S. participate in regional council of government. Regional COGs reduce transaction costs and uncertainty in the coordinative process and facilitate local governance.

For example, the Denver Regional Council of Governments (DRCOG) fosters regional cooperation between 52 county and municipal governments in the Denver metropolitan area.

COGs organizations are often perceived as a weak form of metropolitan governance because they are not governments and thus can not exercise coercive authority over individual cities' internal policies (Miller, 2002). Some regional councils of governments merely provide a forum promoting interlocal cooperation through planning and bringing together participants from other sectors to foster regional cooperation; others are voluntary, collaborative, and consensus-based forums where members come together to exchange information but not necessarily formulate or implement solutions to a region-wide problem. Given the advantages of

---

1) Service of council of government responsible for regional planning activities that may differ from region to region, but typically include planning for economic growth, water supply and water quality, air quality, transportation, emergency preparedness, and the coordinated delivery of various social services. Many councils of governments establish and host region-wide geographical information systems (GIS) as well as databases on regional population, economic, and land-use patterns. In addition, their services include ① planning and implementing regional homeland security strategies, ② operating law enforcement training academies, ③ providing cooperative purchasing options for governments, ④ managing region-wide services to the elderly, ⑤ maintaining and improving regional 9-1-1 systems, ⑥ promoting regional economic development, ⑦ operating specialized transit systems, ⑧ providing management services for member governments (Texas Association of Regional Councils. <http://www.txregionalcouncil.org>).

governance based rather than government based approaches to regionalism support for consolidation might have been expected to diminish. The final section explores why this has not been the case.

#### **IV. The Politics of Regional Reform**

Perhaps the single most intriguing question about city-county consolidation is why it continues to appear on local agendas. If the performance of the existing city-county governments were demonstrably strong, this would be expected. Given the general lack of evidence of the collective benefits it promised, its resilience is remarkable. Especially given the level of bitterness and rancor typically present in these efforts. Why do the advocates of city-county consolidation risk community turmoil? Perhaps proponents do not understand the regularity with which consolidation is rejected. Or perhaps advocates do not anticipate the acrimony so often present in debates over city-county consolidation.

Instead it is the attraction of the perceived benefits that leads them to initiate such a divisive, difficult effort. The advocates of consolidation may believe the community's situation is dire and that resistance to the change is based in the opponents' self-interest in maintaining the status quo.

This kind of view is consistent with the process depicted in Walter Rosenbaum and Gladys Kammerer's (1974) classic study of the consolidation process. The model they developed from the experiences of these two Florida communities has been the dominant explanation of the city-county consolidation process for nearly three decades.

The Rosenbaum and Kammerer model explains the outcome of the referendum on city-county government based on the presence or absence of problems in the community preceding the referendum. These problems trigger citizen demands that the government take appropriate action to alleviate these problems. Lack of adequate response to ongoing problems prompts proponents to put consolidation on the agenda. An appropriate response will defuse the drive for consolidation, but inattention or blundered efforts propel consolidation efforts forward.

Finally, some catastrophic event, scandal, or series of events creates the critical situation necessary for consolidation to be approved by the general public. Thus events stimulate actions motivated by public or collective interests. An alternative perspective is that reformers are motivated by the pursuit of benefits that accrue to themselves and their allies.

## V. A Political Model of City-County Consolidation

Existing arrangements create biases toward particular outcomes, and perhaps, in favor of particular interests within the community. Altering the arrangements may create a different set of biases and advantage those interests who seek a different set of policies and who have a different set of resources, values, and objectives. Through these changes, the welfare of the collective public may be improved, but in many instances the benefits may be felt unevenly across the community, mostly accruing to subsets of the community. Additionally, given sufficient stakes, both sides will do whatever it takes to win. Benefits may be exaggerated, costs understated, and some claims may be completely fabricated.

In some cases, winning may require that the other side be discredited or disabled in some other way. Amy Bridges and Richard Kronick (1999 : pp703-704) have argued that the Progressives were successful in convincing communities to adopt 'reformed governments' by manipulating the decision-making process. Given the extent of the reorganization brought about by city-county consolidation, the stakes for those gaining and losing from the change are likely substantial.

City-county consolidation is a

reorganization of local government (and governance) and not necessarily 'reform'. As the passage by Gary Miller highlights, changes to structural arrangements often reflect different preferences for key values: more efficiency at the expense of equity, more professional management at the expense of democratic government, stability in policy decisions at the expense of widespread political participation, and so on. Regional reform, like the Progressive movement before it, is part of an ongoing struggle in communities, in which various interests seek to institutionalize their preferences into the structure of local government.

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. Not just in terms of size, but in terms of content. It involves the process of dissolving two constitutions-city and county-and replacing them with a single constitution. Because institutions matter, the preferences of the winners are locked into the new government. While advocates for a particular reform may cloak their arguments in terms of the collective benefits of 'good government', 'more efficient government', or 'community progress', reform advocates pursue more narrow, or selective, benefits.

The proponents of regional reform are likely more strongly motivated by the pursuit of these selective benefits than by the collective benefits attributed to city-county consolidation. Given the high cost of action, selective incentives are much more powerful motivators than are the diffuse, non-excludable 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 reform. While the motives of these actors are often attributed to concerns for 'good government' or 'community progress', they will often have private benefits at stake.

Given the strategic nature of efforts to create regional government, the public claims of reformers may not reveal hidden agendas that are also being pursued (Feiock et al. 2006). Public claims are made for public consumption and are a means to sway others to a particular viewpoint. There is no requirement that the content of these claims be accurate, nor reflective of the claimant's true views. Participants choose arguments intended to exploit latent attitudes in the community. These arguments may have little to do with the actual effects of the proposed reorganization. Proponents seek to associate their desired reform with preferences for increased economic development, less costly

and more effective government, and so on. In an earlier time, proponents might have sought to exploit racial tensions in the community by suggesting regional government would be an effective mechanism to weaken growing African-American political power or to prevent this group from ever gaining significant power. Now, proponents are more likely to suggest that economic development will be enhanced or that consolidation is a means to get rid of one or more unsavory local politicians, particularly in their public pronouncements.

In contrast, opponents seek to link city-county consolidation to all things viewed negatively in the community. To the extent that city-county consolidation is presented as a means to achieve collective benefits for the community, free-ridership problems will be a huge obstacle for proponents. One solution to this problem is the emergence of an entrepreneur able to secure private benefits from re-organization and willing to provide the financial and organizational resources necessary to sustain the collective action.

Schneider • Teske • Mintrom (1995) argued that public entrepreneurs emerge when the benefits of action are high or the costs are low. Chamber of Commerce, the local newspaper, and the city mayor are likely candidates for the role of consolidation entrepreneur. On the other side, county and

city employees, county and city commissioners, constitutional officers, and taxpayer groups are likely candidates to emerge as anti-consolidation entrepreneurs.

In most instances, city-county consolidation is a three-stage process. Proponents must first get the proposal on the agendas of two (or more) local governments, a city-county charter must then be written, and then a public referendum on the proposed charter is held. As these are fundamentally different kinds of activities, these different stages may require different combinations of resources to be successful. The lowest hurdle for potential entrepreneurs is getting the issue on the agendas on the local governments.

However, gaining access to the local agenda and winning a county wide referendum are very different activities in terms of the level of difficulty in organizing and sustaining the action, and in the costs and benefits of pursuing the opportunity.

## VI. Conclusion

The consequences of regional reform are far more complex than is suggested by the arguments of the progressive and neo-progressive reformers. City-county consolidation does not always result in lower costs for the delivery of public services, and

in many instances, will make these efforts more costly. Consolidation will often be a cost-effective approach to service delivery, but that most often city-county consolidation will not be the most efficient way to pursue this consolidation. Governance based rather than government based approaches to regionalism such as interlocal agreements and regional organizations may provide less costly approaches to governmental approaches like consolidation and annexation. Nevertheless, government based approaches will dominate to the extent that they provide selective incentives for the political and economic interests necessary for regional reform.

This study implies to ongoing argument, Korean local administrative district system reform. Our local district system is unified system and there are no difference and alternative institution among local administrative district system for service delivery. Now Korean government have a plan to change from three level to two level consolidated government system with greater geographic land of local district system.

But it also cause an inefficiency to provide and product public service to residents no matter two level or three level. This study found the problems and weaknesses of consolidated government from U.S. experience and suggest the 8 alternatives for efficient local district institution. Korean

government make a efficient local district institution for service delivery for local autonomy district system. Both have different geographical scope. Therefore we make a diverse local service provision institutions based on scope of service function and case by case of local speciality. Voluntary regional governance approach also good way to innovation of Korean local system.

## Reference

- Bridges, A. & Kronick, R. 1999. "Writing the rules to win the game: The middle class regimes of municipal reformers". *Urban Affairs Review* 34(5) : pp691-706.
- Brookings Institution. 2002. "Beyond merger: A competitive vision for the regional city of Louisville". Washington, D.C. : Brookings Institution Press.
- Burns, Nancy. 1994. *The formation of local governments: Private values and public institutions*. New York : Oxford University Press.
- Carr, J. B. 2004. *Whose game do we play? Local government boundary change and metropolitan governance*. In R. C. Feiock(Ed.) *Decentralized governance: The organization of governments in metropolitan areas*. Washington, D.C. : Georgetown University Press. In-press.
- Carr, J. B. & Feiock, R. C. 2002. "Who becomes involved in city-county consolidation? Findings from county officials in 25 communities". *State and Local Government Review* 34(2) : pp78-94.
- Carr, J. B. & Feiock, R. C. 2003. Annexation. In J. Rabin(Ed.), *Encyclopedia of public administration and policy* : pp47-53. New York : Marcel Dekker.
- Dodge, W. 1990. "Regional problem solving in the 1990s: Experimentation with local governance for the 21st century". *National Civic Review* (July/August) : pp354-366.
- Dodge, W. 1992. "Strategic intercommunity governance networks: 'SIGNETS' of economic competitiveness in the 1990s". *National Civic Review* (Fall/Winter): pp403-417.
- Downs, Anthony. 1994. "New Visions for Metropolitan America". Washington, D.C. : The Brookings Institution.
- Feiock, Richard C. 2004. *Metropolitan Governance: Conflict, Competition and Cooperation*. Washington, D.C. : Georgetown University Press.
- Feiock, R. C. & Carr, J. B. 2000. "Private incentives and academic entrepreneurs: The promotion of city/county consolidation". *Public Administration Quarterly* 24 : pp 221-246.
- Feiock, R. C., Jeong, M. & Kim, J. 2003. "Credible commitment and council manager government". *Public Administration Review* 63(5) : pp568-578.
- Feiock, R. C., Carr, J. B. and Johnson, L. S. 2006. "Structuring the Debate on Consolidation: A Response to Leland and Thurmaier". *Public Administration Review* 66(2) : pp274-278.
- Foster, K. A. 1997. *The political economy of special-purpose government*. Washington, D.C. : Georgetown University Press.
- Lowery, David. 2000. "A transaction costs model of metropolitan governance: Allocation vs. redistribution in urban America". *Journal of Public Administration Research and Theory* 10 : pp49-78.
- McCabe, Barbara. 2000. "Special-district formation among the states". *State and Local Government Review* 32(2) : pp121-131.
- Marando, V. 1979. "City-county consolidation: Reform, regionalism, referenda, and requiem". *Western Political Quarterly* 32: pp409-421.
- Miller, David. Y. 2002. *The Regional Governing of Metropolitan America*. Cambridge MA, West view Press.
- Miller, D., Miranda, R., Roque, R. and Wilf, C. 1995. "The fiscal organization of metropolitan areas: The

- Allegheny County case reconsidered". *Publius* 25(4) : pp19-35.
- Miller, G. J. 1985. Progressive reforms as induced institutional preferences: Comment on the Maser paper. *Public Choice* 47 : pp163-181.
- Olberding Julie Cencula. 2002. "Diving into the 'third waves' of regional governance strategie: A study of regional partnerships for economic development in U.S. metropolitan areas". *Economic Development Quarterly* 16(August): pp251-272.
- Olberding, Julie. Cencula. 2000. "The formation, structure, process and performance of regional Partnerships for economic development in metropolitan areas". Ph.D. Dissertation. University of Kentucky. Lexington.
- Ostrom E. 1990. *Governing the commons: The evolution of institutions for collective action*. New York : Cambridge University Press.
- Park, Hyung Jun. 2005. "Collaborative Approach to Economic Development of Local Governments and Institutional Collective Action". Ph.D. Dissertation. Florida State University.
- Rosenbaum, W. & Kammerer, G. M. 1974. "Against long odds: The theory and practice of successful governmental consolidation". *Administrative and Policy Studies Series*. Series no. 03-022. Vol 2. Beverly Hills, CA : Sage Publications LTD.
- Ruhil, A. 2003. "Structural change and fiscal flows: A framework for analyzing the effects of urban events". *Urban Affairs Review* 38(3) : pp396-416.
- Savitch, H.V. & Vogel, R. 2000. "Paths to new regionalism". *State and Local Government Review* 12 : pp158-168.
- Savitch, Hank V. and Vogel, Ronald. 2000. "Metropolitan consolidation versus metropolitan governance in Louisville". *State and Local Government Review* 32 (3) : pp 198-212.
- Schneider, M., Teske, P. & Mintrom, M. 1995. *Public entrepreneurs: Agents for change in American government*. Princeton, NJ : Princeton University Press.
- Stephens. G. R. and N. Wickstron. 2000. *Metropolitan Government and Governance: Theoretical Perspectives, Empirical Analysis, and the Future*. Oxford UK : Oxford University Press.
- Thurmaier, K. and Leland, S. 2006. "Frame the Consolidation Debate with a Sound Argument: A Reply to a Response". *Public Administration Review* 66(2) : pp279-280.
- Thurmaier, Kurt & Curtis Wood. 2004. *Interlocal Agreements As An Alternative to Consolidation* in Jered Carr and Richard C. Feiock, *Reshaping the Local Landscape: Perspective on City County Consolidation and its Alternatives*. Armonk, NY : M. E. Sharpe. in press.
- Thurmaier, Kurt and Curtis Wood. 2002. "Interlocal Agreements As Social Networks: Picket Fence Regionalism in Metropolitan Kansas City". *Public Administration Review* 62(5) : pp585-598.
- Welch, S. & Bledsoe, T. 1988. *Urban reform and its consequences*. Chicago : The University of Chicago Press.
- Metro Denver EDC web accessed 2004 (<http://www.metrodenver.org>).

- 논문 접수일 : 2006. 8. 2
- 심사 시작일 : 2006. 8. 5
- 심사 완료일 : 2006. 11. 14

**미국 메트로폴리탄 지역에서의 신지역주의 경향  
: 통합지역정부와 지역 거버넌스를 위한 대안적 제도들**

**리차드 파이악** 교수, 플로리다 주립대학교 행정학과 (제1 연구자)  
**박형준** 부연구위원, 한국행정연구원

※ 주요단어: 거래비용, 시군 합병과 통합, 신지역주의, 지방정부 간 협약,  
지역 간 협동전략, 지역 거버넌스

본 연구는 1990년 이후 미국의 메트로폴리탄을 중심으로 자생적으로 발생한 신진보적 지방체제 개혁과 신지역주의 운동에 관한 연구다. 본 연구에서는 왜 이런 통합-집권화된 정부형태가 등장하게 되었는지를 신진보적 지방행정체제 개혁을 통해 살펴보았다. 또한 통합된 정부형태의 효율성에 있어 문제점을 제도적 요인과 거래비용에 의해 평가하였다. 이런 논의를 바탕으로 지방공공 서비스 전달의 최적의 효율성을 얻고자 새로이 등장하는 정부 간 협약, 지역 거버넌스 정부, 합병, 특별구역, 지역 파트너십 등 8가지 대안들을 거래비용이론과 집단적 협동이론에 근거하여 서비스의 범위와 지리적 범위, 그리고 지배형태에 따라 구분하여 상황에 맞는 가장 적절한 제도가 무엇인지 제시하였다. 본 연구의 함의는 우리나라 지방행정체제 또는 구역 개편에 있어서 2단계든 3단계든 전국적 단일한 행정체제보다는 서비스 전달의 효율성을 얻기 위해서는 상황에 맞는 다양한 서비스전달 제도와 구역이 필요함을 제시하였다.