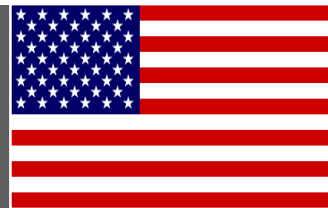


UCLG COUNTRY PROFILES

United States of America

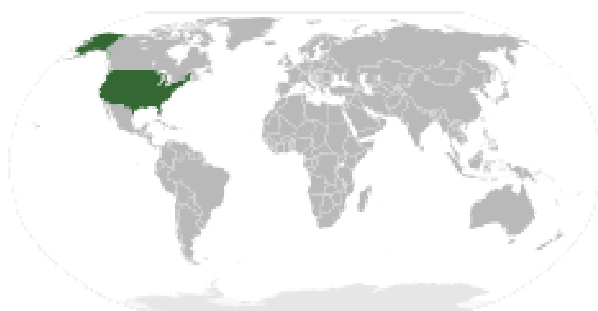


Capital: Washington, D.C.

Inhabitants: 304.124.000 (2008)

Area: 9.826.630 km²

1. Introduction



The United States of America is a federal union with the oldest written constitution, dating to 1789. With a population of 288 million, it had per capita GDP of €42,623 in 2002. The Constitution divides the federal government between a bicameral legislature (the House of Representatives and the Senate), an executive headed by an elected President, and a judiciary headed by a Supreme Court.

Local government in the eastern part of the country goes back the first settlements by Europeans. Many of these were often governed initially as self-standing communities. Thirteen original colonies formed an initial confederation that won independence from Britain. In the early years of the Republic, local government law largely followed British practice in limiting the legal authorizations for local government. Although current-day institutions have changed considerably,

they still reflect these traditional influences.

Reverence for local democracy nonetheless constitutes one of the enduring features of political culture in the United States. Across the variety of local arrangements and institutions, local government and decentralization share several general features.

The powers and institutional nature of local government derive not from the federal constitution itself, but from the powers it allocates to the states. Especially over the course of the twentieth century, however, states have frequently given local governments considerable independent autonomy from state control through attributions of "home rule" and other broad grants of authority. But the states remain the main bodies that establish the procedures and institutional forms of local government.

This contributes to what is perhaps the most remarkable feature of local government in the United States, its remarkable institutional complexity and diversity. The frameworks established by state governments often vary considerably, and in some cases even set rules for individual city governments. Even beyond general purpose local governments, a growing array of "special purpose" units



have assumed such important specialized functions as education and infrastructure. Other local governments, including counties and many states townships, exist above the level of municipalities and can receive parallel functions. The complexity and fragmentation of the resulting institutional landscape has led to a proliferation of informal and formal cooperative arrangements that further complicate the overall picture.

2. Territorial organization

Municipalities are the most comparable units to the local governments in many other countries. They are however only one among several types of local government units in the United States (see Table 1; p. III).

Two of these are also considered "general purpose" local governments with general grants of powers. Counties, like the German Kreis, are administrative units with elected governments responsible for much of social service delivery. Townships, a form of local government unit found in twenty eastern and midwestern states, differ from municipalities. Although sometimes independent local governments, they at other times represent a third level of local government between the municipalities and the counties.

A large and growing proportion of local government activity is also carried out by "special purpose" local governments that are charged with specific, narrowly defined functions. In 2002, thirty-one percent of the 48,558 such bodies counted in the Census of Governments were public school systems. Ninety percent of these were separate school districts with independent powers that included revenue raising, and their own elections. Other frequent special districts carry out infrastructure such as sewer and utility provision.

The dramatic expansion of local governments took place with the incorporation of Western territories into the United States over the nineteenth century, and the nationwide urbanization of the late nineteenth and early twentieth centuries. The number of local governments has continued to increase over recent decades, but more incrementally. The number of municipal governments grew by six percent nationwide from 1962 to 1982, but by under two percent over 1982-2002. Township numbers have declined gradually over the entire period. School district numbers dropped precipitously with the enforcement of racial integration over the 1960s and 1970s, and over 1982-2002 continued to fall by eight percent. Special district governments of other kinds have proliferated, growing by 16 percent over 1982-1992 and 11 percent over 1992-2002.

The relation of local governments to population varies widely. In some eastern suburbanized states like New Jersey, and more generally in the largest metropolitan areas local governments are very fragmented. In faster growing areas of the West, however, such as Nevada and Arizona, the number local governments in relation to population remains small. There have been isolated experience with separate metropolitan governments, notably in Portland, Oregon. But county governments often extend to large proportions of larger metropolitan areas, and have often taken on some metropolitan functions. Perhaps the main type of territorial reform initiatives have been efforts at consolidation of city governments with county governments. Although these initiatives have generally failed, they have succeeded in a number of smaller to mid-sized urban regions in the South and West (Post 2002).



Table 1. Types of local government and population in 2002, by state

Population		Total		General purpose		County		Subcounty		Special purpose	
(Geographic area)			(tsd inh. /unit)	Total	(tsd inh. /unit)		Total	Municipal	Town or township	Total	(tsd inh. /unit)
United States	287,985	87,525	3	38,967	7	3,034	35,933	19,429	16,504	48,558	6
Alabama	4,480	1,171	4	518	9	67	451	451	0	653	7
Alaska	641	175	4	161	4	12	149	149	0	14	46
Arizona	5,438	638	9	102	53	15	87	87	0	536	10
Arkansas	2,707	1,588	2	574	5	75	499	499	0	1,014	3
California	34,988	4,409	8	532	66	57	475	475	0	3,877	9
Colorado	4,498	1,928	2	332	14	62	270	270	0	1,596	3
Connecticut	3,458	580	6	179	19	0	179	30	149	401	9
Delaware	806	339	2	60	13	3	57	57	0	279	3
D. C.	565	2	283	1	565	0	1	1	0	1	565
Florida	16,678	1,191	14	470	35	66	404	404	0	721	23
Georgia	8,582	1,448	6	687	12	156	531	531	0	761	11
Hawaii	1,234	19	65	4	309	3	1	1	0	15	82
Idaho	1,344	1,158	1	244	6	44	200	200	0	914	1
Illinois	12,587	6,903	2	2,824	4	102	2,722	1,291	1,431	4,079	3
Indiana	6,155	3,085	2	1,666	4	91	1,575	567	1,008	1,419	4
Iowa	2,934	1,975	1	1,047	3	99	948	948	0	928	3
Kansas	2,712	3,887	1	2,030	1	104	1,926	627	1,299	1,857	1
Kentucky	4,089	1,439	3	543	8	119	424	424	0	896	5
Louisiana	4,475	473	9	362	12	60	302	302	0	111	40
Maine	1,297	826	2	505	3	16	489	22	467	321	4
Maryland	5,442	265	21	180	30	23	157	157	0	85	64
Massachusetts	6,412	841	8	356	18	5	351	45	306	485	13
Michigan	10,039	2,804	4	1,858	5	83	1,775	533	1,242	946	11
Minnesota	5,024	3,482	1	2,734	2	87	2,647	854	1,793	748	7
Mississippi	2,866	1,000	3	378	8	82	296	296	0	622	5
Missouri	5,681	3,422	2	1,372	4	114	1,258	946	312	2,050	3
Montana	910	1,127	1	183	5	54	129	129	0	944	1
Nebraska	1,727	2,791	1	1,070	2	93	977	531	446	1,721	1
Nevada	2,168	210	10	35	62	16	19	19	0	175	12
New Hampshire	1,275	559	2	244	5	10	234	13	221	315	4
New Jersey	8,576	1,412	6	587	15	21	566	324	242	825	10
New Mexico	1,855	858	2	134	14	33	101	101	0	724	3
New York	19,165	3,420	6	1,602	12	57	1,545	616	929	1,818	11
North Carolina	8,313	960	9	641	13	100	541	541	0	319	26
North Dakota	634	2,735	0	1,745	0	53	1,692	360	1,332	990	1
Ohio	11,405	3,636	3	2,338	5	88	2,250	942	1,308	1,298	9
Oklahoma	3,487	1,798	2	667	5	77	590	590	0	1,131	3
Oregon	3,522	1,439	2	276	13	36	240	240	0	1,163	3
Pennsylvania	12,324	5,031	2	2,630	5	66	2,564	1,018	1,546	2,401	5
Rhode Island	1,069	118	9	39	27	0	39	8	31	79	14
South Carolina	4,103	701	6	315	13	46	269	269	0	386	11
South Dakota	760	1,866	0	1,314	1	66	1,248	308	940	552	1
Tennessee	5,790	930	6	441	13	92	349	349	0	489	12
Texas	21,722	4,784	5	1,450	15	254	1,196	1,196	0	3,334	7
Utah	2,337	605	4	265	9	29	236	236	0	340	7
Vermont	616	733	1	298	2	14	284	47	237	435	1
Virginia	7,286	521	14	324	22	95	229	229	0	197	37
Washington	6,066	1,787	3	318	19	39	279	279	0	1,469	4
West Virginia	1,805	686	3	289	6	55	234	234	0	397	5
Wisconsin	5,439	3,048	2	1,922	3	72	1,850	585	1,265	1,126	5
Wyoming	499	722	1	121	4	23	98	98	0	601	1

Source: Local government data from U.S. Census Bureau, *Census of Governments 2002: Government Organization*, p. 3; Population figures from U.S. Census Bureau, *Statistical Abstract of the United States: 2007*, p. 20



The capital city, the District of Columbia, is subject to a separate legal regime that is directly under the supervision of the federal Congress. Although the Mayor and City Council of the District are directly elected, the District itself has only nonvoting representation in Congress.

In the United States, public expenditure comprises a somewhat lower proportion of GDP than in many other developed countries at around 38 percent. State and local government expenditures together make up just over half this amount, and local government expenditures alone in 2002 constituted 29 percent of the total (Table 2). Local governments spend nearly twice what state governments do on capital investment. Exclusive of federal defense spending, local public capital investment encompasses 37 percent of the total. Local public expenditure has been rising slightly as a percent of the total in recent years.

3. Local democracy

The local political system. One of the most distinctive features of local government in the United States is the variety of local institutional systems. Two main types of local government systems predominate, although several less frequent types are also generally recognized (MacManus and Bullock 2003, p. 3).

In the mayor-council system the council or board is elected. The chief elected official is also the head of the local government and possesses administrative authority. In a 2001 survey of city managers, 38 percent of municipalities overall but the majority of larger cities reported this form of government.

In the council-manager system the council or board is elected, but together with a chief elected official (mayor) is responsible for making policy. A professional administrator (manager) appointed by the council or board is responsible for the day-to-day operations of government. Fifty-

Table 2: Financial indicators, by level of government

	Total	Federal	State and local	State	Local
Expenditure Per Inhabitant	€ 16,529.87	€ 7,992	€ 8,538	€ 5,336	€ 4,751
Expenditure/GDP	38.2%	18.5%	19.7%	12.3%	11.0%
Percent of total public expenditure		48.3%	51.7%	32.3%	28.7%
Percent of total public capital outlay (including defense)		54.8%	45.2%	15.8%	29.4%
Percent of total public capital outlay (nondefense)		43.4%	56.6%	19.8%	36.8%

Sources:

Gross Domestic Product: OECD, OECD in Facts and Figures 2003, p. 13.

State and local revenue and expenditure: Compendium of Government Finances: 2002 Table 1

Federal Government Capital Outlay: U.S. OMB, Budget of the United States 2005, Historical Table 9.1,

Federal government Expenditure: Consolidated Federal Funds Report for Fiscal Year 2002 (Census of Government)

Federal government revenue: U.S. Office of Management and Budget: Budget of the United States Government, Historical Tables.

Exchange rate: 1.20 euros/dollar



three percent of municipalities have adopted this system. It is most common in smaller municipalities and in the Southern, Midwestern and Western states where reform movements of the early twentieth century most influenced the form of municipal institutions.

Among the other types, the town meeting is most frequent. Found in only 6 percent of municipalities in the survey, this form remains common in New England where it is traditional. Here voters convene to make basic policy and to choose a board of selectmen, which carry out policies. In a "representative town meeting" form found in only one percent of municipalities, voters select citizens to represent them at the town meeting. All citizens may attend and participate in debate, but only representatives may vote. Finally, a "Commission" form also found in only one percent of governments, members of a board of elected commissioners serve as heads of specific departments and collectively sit as the legislative body.

The lines between mayor-council and council manager systems are becoming less distinct, as mayor-council governments now often appoint professional administrators and some council-manager systems have assigned mayors varying degrees of power. Even in mayor-council systems, local officials now generally regard the council as important (Svara 2003, p. 48).

The pervasive influence of reforms with origins in the progressive era may also be seen in the electoral systems. Election solely by wards or districts, while frequent in the largest cities like Los Angeles and New York, remains the basis of council election in only 11 or 12 percent of all local governments. Sixty percent of municipalities employ at-large systems, while thirty percent use a combination of district and at-large systems (Ross and

Levine 2001, p. 165; Renner and DeSantis 1993, pp. 67-68). At large elections have been linked to the dilution of minority voting strength (Ibid.) In 1982 Congress amended the Voting Rights Act to make it easier to challenge local election practices. This led to a slight decline in the use of at large elections nationwide, from 66 to 60 percent by 1986 (Judd and Swanstrom 1994: 104).

The role of political parties in local elections has decreased over the years. Around three fourths of local governments employ nonpartisan ballots to elect local officials (2001; Judd and Swanstrom 1994; Ross and Levine 2001 pp. 170-171; Svara 2003). Partisan elections tend to be more common in local governments in the Mid-Atlantic states, whereas almost all Western states nonpartisan local elections (Ross and Levine 2001). While parties are not much of a factor in small cities, they play some role in most larger cities, even if there are no party designations on the ballots, (Ross and Levine 2001pg. 171). Surveys of local politicians indicate that parties do provide campaign support, but this comes more in the form of help with distributing posters, lawn signs and campaign literature and not so much in the form of campaign management and fundraising (Bibby 1999 pg. 206).

By and large, electoral competition remains low. In a 2001 national survey, only eleven percent of council members reported a close electoral contest in the previous election and just under a quarter election by a "moderate" margin. In 65 percent of council-manager cities and 62 percent of mayor council cities, council members won by large margins or were unopposed (Svara 2003: p. 20).

Trust in local government has remained steady and even increased slightly in recent years. According to surveys conducted by the Gallup Organization



(Gallup 2006) 70 percent of those surveyed answering that they trusted their local government to handle local issues either a great deal or a fair amount in 2005, compared to 63 percent in 1972. Similarly at the state level, 67 percent in answered that they trusted their state government to handle state issues either a great deal or a fair amount in 2005, compared to 63% in 1972. These results contrast with a historical decline of trust in federal government. In 2005 only 53 percent said that they trusted the federal government to handle national domestic issues either a great deal or a fair amount, compared to 70 percent in 1972.

Citizen participation. Voting turnout ranges generally lower in the United States than in other OECD nations, and municipal election turnout has generally fallen well below that in national elections. Although few studies have looked comprehensively at municipal-level turnout in recent decades, the existing evidence suggests that turnout in city elections may average half that of national elections. In a recent study of eleven metropolitan areas across the country, average turnout in municipal elections was 29 percent of the eligible population, compared with 57 percent in national elections (Sellers, Latner and Ohanesian 2007). In some cities turnout regularly falls below one-quarter of the voting-age population (Hajnal and Lewis 2003 pp. 645-646; citing Alford and Lee 1968; Morlan 1984; Bridges 1997). Studies have also repeatedly found “that individuals with ample resources vote much more regularly than those with few resources—the poor, racial, and ethnic minorities and the less educated,” (Hajnal and Trounstone 2005 pg. 515).

Provisions for forms of direct electoral democracy are commonplace in U.S. cities, especially in the Southwest and West where early twentieth century reform movements were most influential. Twenty

states have provided for the initiative, referendum, and recall of local elected officials as a matter of state law (Hill pg. 45). Provisions for referenda are widespread in cities across the United States. In a 2001 survey 72 percent of city managers nationwide reported authorization of referenda in their community, mostly for bond measures or for changes in local charters.

The initiative and recall are more common features of government in the West than in the East. Although 90 percent of western cities allow for the initiative and recall; less than a third of Mid-Atlantic states permit these procedures,” (Ross and Levine 2001 pg. 174). Recalls have most commonly been employed in California, Michigan and Oregon to remove officials suspected of corruption or to challenge unpopular decisions (Zimmerman 1997 pg. 123). In a survey, five percent of council members nationwide reported that recalls had been used; in only 29 percent of these cases had recalls succeeded. State laws in 38 states require local governments to permit write-in votes (Hill pg. 45). Although participatory budgeting is rare, most states require that local governments hold public hearings before adopting local budgets (Berner 2001 pg. 25),

Below the municipal level, democratic forms of representation or participation are not widely provided by constitution or law. In a few instances, like the Community Action Program under the Economic Opportunity Act of 1964 or subsequent community development grant programs, the federal government has provided incentives for neighborhood associations as a way to facilitate the development of local solutions to local problems (Berry, Portney, and Thomson 1993 pg. 22). The neighborhood associations that came about as a result of these programs have sometimes flourished long after the programs ended. A number of cities, such



as San Antonio, have successfully developed formal systems for neighborhood participation in governance (Berry, Portney, and Thomson 1993). In recent years the number of cities have sought to promote neighborhood participation has grown. Los Angeles, for instance, introduced a system of neighborhood councils in the early 2000s, and many cities have introduced mechanisms for neighborhood participation in community planning, security services and economic development.

City internet sites and a web interfaces are increasingly pervasive. In a 2004 survey of city managers, 91% of responding cities had websites (ICMA 2004). Of those who did not have a Web site, nearly 50% were planning to bring one online in the near future (Coursey 2005 pg. 14). Web sites generally offer information "such as council agendas and minutes (76%), codes and ordinances (66%), and downloadable forms for manual completion (58%)," (Coursey 2005 pg. 17). Analysis of this survey found that "...services [offered] tend toward less interactive, more informational offerings, especially for smaller jurisdictions," (Coursey 2005 pg. 21). A study of web use by planning agencies also found that few have seized on the potential of web technologies to facilitate citizen participation and discussion. Instead, web interfaces "a one-way communication channel (such as static maps or agendas and minutes)" (Simpson 2005 pp. 25-26). This may change as planning agencies implement new forms of internet technologies in the next few years.

Besides local governments, there are 561 federally recognized tribal governments in the United States. Recognized governments of this kind possess a direct intergovernmental relationship with the federal government independent of state governments. Approximately 275 separate land areas in the United States have been

created by decisions of the federal government as reservations for Native Americans. In general, reservations have been created for tribes when they relinquished claims to other lands. The largest of these reservations is the 16 million-acre Navajo Reservation in Arizona, New Mexico and Utah, but many are less than 1000 acres. On each reservation the tribal government is the governing authority.

Generally, the federal Bureau of Indian Affairs has been the main authority in intergovernmental relations with the tribes. With a few exceptions, the powers of states over reservations confined to arrangements made under federal law. In practice this has meant state systems of property, sales and income taxation as well as regulation do not apply within reservation boundaries. Reservations contain some of the greatest concentrations of poverty in the United States. Although construction of casinos and recreational clusters has brought wealth to a number of tribes, economic development has largely bypassed most (Kalt and Cornell 2002).

4. Central-local relationships

The Constitution of the United States of America does not mention local governments. Local governments are created by the states and they operate under fifty different legal and political situations. The institutional foundations of local government stem from the general principle known as Dillon's rule; from a large number of provisions for what has been known as home rule; from other provisions in state constitutions; and from city charters.

In the absence of federal Constitutional provisions, cities and other local governments fall under the jurisdiction of



the states. Dillon's Rule (1868), a widely applied common-law rule, holds that municipalities are "creatures of the state" and can therefore only exercise the powers granted to them by the state. This remains the dominant doctrine of municipal law. (Ross and Levine 1996: 105-106)

Over the course of the twentieth century, however, states have qualified or replaced Dillon's Rule. With Home Rule provisions, most states now grant local governments general purpose authorities that often resemble the general provisions of local powers in the national laws of other countries. Cities in "Home Rule" states are free to enact laws of their own as far as these local laws do not contradict existing state statutes. (Ross and Levine 1996: 108) Home rule provisions can (1) empower local governments to take initiative, (2) confer immunity on local governments from the reach of state legislation, or (3) instruct the state courts to interpret grants of local authority liberally in favor of local discretion (U.S. Advisory Commission on Intergovernmental Relations. 1993:1). By 1990 48 states granted home rule authority to municipalities. Thirty-seven granted these powers through state constitutions and 34 through general laws. Thirty-seven states gave home rule powers to counties, twenty-three through constitutions and 25 through general laws. These numbers represented an increase over 1978, when 41 states granted home rule authority to municipalities and 27 states to counties.

Home rule provisions can provide local government with substantial autonomy. For example, The Ohio Constitution conferred on municipalities "all powers of local self-government." The California Constitution gives local governments not only the power to undertake policymaking initiatives but also immunity from state legislative interference in "municipal

affairs." (Libonati 1988: 110). In specific domains, state legislation and even the assumption of local functions by state governments have qualified the significance of these general provisions.

One of the distinctive features of local government in the United States is how much local government institutions vary even within states, and how much choice municipalities often have to select their own institutions. State law often provides "alternate" forms of government that cities that meet certain conditions can select. Cities created under these rules are called "general law" cities. Other cities known as "charter cities" are formed through a special act of state legislatures. Many of the largest U.S. cities, such as New York City and Los Angeles, are charter cities. In this case, changes in the charter require an act of the state legislature. In California, home rule provision affirmatively grants to charter cities supremacy over "municipal affairs."

Especially in the West and South, local choice often extends to matters of municipal annexation and consolidation. In 1990 44 states authorized municipal annexation by general law and 32 allowed municipal annexation initiated by city ordinance or resolution. Forty-two states authorized consolidation of cities. State governments place a variety of conditions on the possibilities for annexation and consolidation, often designating courts or specially constituted bodies to approve local choices. Rates of annexation differ significantly by state as a consequence of these conditions (Facer 2006). Although municipal referenda are not usually necessary for annexation, most states require a referendum and majority approval in each city for consolidation to take place. Fourteen states also authorize consolidation of cities and counties. Forty-two states authorized intergovernmental service agreements in 1990, a number that



has been increasing over time (ACIR 1993: 9, 24-26).

Supervision of local government. Oversight of local governments is by and large a function of state governments. In most states a Secretary of State collects standardized information on local governments and is responsible for enforcing state requirements in fiscal and administrative matters. State laws for local elections and local voter registration, for instance are becoming universal.

Within specific sectors of governmental activity, other departments within the state government often carry out specialized supervision. State Departments of Transportation, for instance, often supervise work on highways within localities. Departments of the Environment or Natural Resources typically review local environmental permits. Other state departments may review education, building permits, housing, land use and welfare administration at the local level.

State legislation also regulates governmental operations and procedures. Forty-eight states requires that all local government meetings at which official action is taken be open to the public, comparing 41 states in 1978. Thirty-three states mandate a procedure for adoption of municipal ordinances and/or resolutions. Among them 13 states require all proposed ordinances/resolutions must be in writing. Twenty-two states mandate a procedure for adoption of county ordinances and/or resolutions. Twenty-one states mandate that local elected officials are subject to a state-imposed Code of Ethics. (ACIR 1993)

Judicial remedies are frequently available in ordinary (general jurisdiction) courts for review of state and local decisions. On exceptional occasions, as in the recent takeover of the Philadelphia school system by the state of Pennsylvania, state

governments intervene directly to reorganize local affairs.

In a few domains, notably in certain areas of environmental regulation, the national government enlists both state governments and specialized local bodies in a national regime to carry out federal norms. Under the federal Clean Air Act, for instance, states are responsible to issue implementation plans to carry out federal laws, and to establish systems of appointed boards for regions across the state to issue local regulations and enforcement sanctions. These specialized local bodies exercise enforcement powers over local governments as well as local businesses. The effectiveness of local regulation, however, usually depends on cooperation with local officials, businesses and citizens.

Rules for dismissal and selection of personnel within local governments depend on local decisions concerning such rules as civil service norms and affirmative action. Analyses of the variations in these rules based on surveys of local governments have demonstrated a wide variety of local practices. Local practices have tended to sort into distinct local cultures of administration. In one recent analysis, Freyss (1995) distinguished cultures built around affirmative action for minorities and women; around merit systems; around affirmative action for the disabled, veterans and other white males; and around job protections demanded by unions. Civil services cultures are significantly more common in the West and South, where reform movements have had the most influence, but may be found in every region. The other types of cultures are less regionally concentrated.



5. Local responsibilities (functions)

As a breakdown of expenditures reveals, local governments in the United States specialize in a number of important functions distinct from those vested at other levels of government (Table 3). Education comprises the single largest sector of local expenditure, with 38 percent of the total. In other social services such as welfare and social security, the federal and state governments provide the vast bulk of expenditures. In recent decades state governments in many states have also provided increasing proportions of education expenditures. Local governments also undertake most government expenditures for public safety and utilities, and an array of tasks associated with their more general authorities for local affairs.

Table 3: Decomposition of Government Expenditure

Federal	Percentage of Total (2232.6 Billion)
Defense	21%
Non-Defense	11%
Other Expenditure	1%
Grants	14%
Social Benefits	42%
Interest	10%
State	Percentage of Total (1359.0billion)
Grants	28%
Education	13%
Social Services	25%
Transportation	6%
Public Safety	4%
Insurance Trust	12%
Other Expenses	12%
Local	Percentage of Total (1194.9billion)
Grants	1%
Education	38%
Social Services	11%
Transportation	6%
Public Safety	9%
Utility Expenditure	10%
Other expenses	26%

Source: ECO/WKP(2005)49: 8

These functions are often vested in specific types of local government organization (see Table 4; p. XI). Municipalities, as general purpose governments, undertake most of the expenditure in the areas of public safety, housing, environmental regulation and utilities. Nearly eighty percent of the expenditure on education is carried out by the separately organized school districts. Similar special districts make a large and growing proportion of infrastructure and utility expenditure.

Counties are the main providers of social services besides education. These units undertake over sixty percent of the local government expenditures in this area. As counties typically govern unincorporated areas (i.e., places outside the jurisdiction of incorporated municipalities), they also share a portion of other government expenditures, such as police, fire-fighting and planning. It is also not infrequent for smaller municipalities to contract with county governments for provision of these services. In states with townships, these units below the county level may also take on responsibilities for transportation, public safety and planning.

Wide local discretionary powers exist in most areas where local governments have predominant responsibilities (Table 5). In planning and zoning, education, police and fire services, utilities and public infrastructure, local governments have wide authorities. Even in some areas where local governments share authorities with higher level governments, such as economic development or provision of some health services, local governments can enjoy considerable latitude of action. By contrast, local discretion is limited in other areas. In welfare provision, implementation of clean air and water laws, and national highway construction, extensive frameworks of state and federal legislation must be followed.



Table 4: Local government Expenditure by Types of Government and Function, 2001-2002

	Counties	Municipal.	Townships	Special Districts	School Districts	Percentage of all local government expenditure in category
Education	9%	9%	2%	1%	80%	(39%)
Maintenance	61%	21%	1%	17%	0%	(11%)
Transportation	31%	50%	7%	13%	0%	(6%)
Public safety	35%	58%	5%	3%	0%	(9%)
Environment & Housing	18%	54%	4%	24%	0%	(9%)
Utility expenditure	5%	52%	2%	41%	0%	(11%)
Other	35%	47%	5%	7%	6%	(16%)

Source: ECO/WKP (2005)49: 11

Table 5: Functions by Levels of Government

	Federal	State	Local
Planning			
Environmental Protection*	S	S	S
Social Services			
Social Security*	X		
Medicare*	X		
Public Welfare*	S	S	
Worker's Compensation*		X	
Unemployment Compensation*		X	
Parks and Recreation*			X
Housing and Community Dev.*	S		S
Employee Retirement*	S	S	
Education			
Higher Education*		X	
Miscellaneous Education*		X	
K-12 Education*			X
Library*			X
Health Services*	S	S	S
Mental Hospitals*		X	
General Hospital*	S		S
Water Supply*			X
Energy Supply*			X
Public Transport			
Highway*		S	S
Regulation of Air Traffic*	X		
Airports*	S		S
Other Transportation*	S		S
Business Development Support¹		S	S

Source: Ross and Wikstrom. 2000. Metropolitan Government and Governance. P. 156. Table 8.2
 Peterson, Paul. "Who Should Do What?". Ed. The Politics of Urban America.



In such specific domains as education, environmental policy, and homeland security the constraints on local governments have clearly grown in recent years. At the same time, new frameworks and authorizations and sometimes new fiscal resources have sometimes expanded the scope of local government activities. Often, state and federal participation alongside local governments has produced a complex set of vertical relations.

Under the national Clean Air Act and the Clean Water Act, for instance, states are responsible for regulating air and water pollution at the local level. To do so, the states typically establish commissions of local officeholders and citizens, which are charged with applying state and federal regulations for regions within states. State or federal regulators typically supply staffing for these commissions. Although they have authority to make binding decisions for local governments under their jurisdiction, this authority is often limited by the capacities of local governments to contest these decisions in the courts or through other means.

In education, the national *No Child Left Behind Act of 2002* reinforced a system of supervision by the states that has increasingly guided local public school districts. The act tightened requirements of standardized testing in schools, required public reporting of the results, raised standards for teacher qualifications, specified sanctions for low-performing schools, and mandated reading proficiency for all students by 2014. Although the federal government has expanded its role in education finance at the same time, state and local governments have remain the source of 92 percent of education funding and the implementation of this Act has been increasingly controversial (Mantel 2007).

6. Local finance and management

The revenues for general purpose local governments in the United States come predominantly from locally raised sources (Table 6). Local taxation provides some 60 percent of the income for counties and municipalities, and 73 percent for towns and townships. The main exception is the public school sector that comprises the

Table 6. Sources of Revenue for U.S. Local Governments, 2001-2002

	Total	Counties	Municipalities	Townships	Special Districts	School districts
	€902,608	€216,384	€ 281,193	€ 29,525	€ 103,106	292,502
Revenue, total (millions)						
General revenue	92%	99%	85%	95%	75%	100%
Intergovernmental revenue	37%	38%	25%	22%	25%	57%
(From federal government)	4%	3%	5%	1%	13%	1%
(From state government)	33%	33%	18%	19%	7%	54%
(From local government)	0%	2%	2%	2%	5%	1%
General revenue from own sources	55%	61%	59%	73%	50%	43%
Taxes	34%	35%	36%	58%	12%	36%
Property	25%	24%	17%	53%	8%	34%
Sales and gross receipts	6%	8%	11%	0%	3%	1%
Individual income	2%	1%	4%	2%	0%	0%
Corporation net income	0%	0%	1%	0%	0%	0%
Other taxes	2%	2%	3%	3%	1%	0%
Charges and miscellaneous revenue	21%	26%	24%	15%	38%	8%
Utility and liquor store revenue	8%	1%	16%	5%	25%	0%
Insurance trust revenue	0%	0%	-1%	0%	0%	0%

Source: U.S. Census Bureau, Compendium of Government Finances 2002



largest single sector of local government. There 54 percent of local funding came from state government sources in 2001-2002, and local governments raised 43 percent. Other special districts raise large portions of their funds from fees and such external sources as utility charges as well as from local taxes, but less from intergovernmental sources.

For general purpose governments especially, the property tax remains the most frequent and largest source of these locally raised revenues, accounting in 2001-2002 for 45 percent of own-source revenue and 25 percent of total revenues (Laubach 2005: 29). However, in recent years two partly separate developments have altered the role of the property tax, especially in the education. In a number of states, such as California and Massachusetts, movements against the property tax in the 1970s and 1980s led to restrictions on the level and the rate of increase. One consequence has been the introduction of other types of taxes, such as sales taxes, and the increasing use of user fees and other alternative mechanisms. In a number of states where property taxes have been limited, notably California, sales taxes have increasingly replaced property taxes as local revenue sources.

Within the educational sector, state courts, legislatures, and in some states popular referenda have driven a replacement of local finance with state funding. The main impetus behind this shift has been to equalize disparities in resources between school districts or to provide a basic minimum of educational spending in each district. Overall, states have increased their proportion of school district funding from 38 percent in 1972 (Ibid.). Also, such states as California and Michigan have imposed statewide formulas for redistributing revenues among districts.

Outside of school districts, arrangements for redistribution of revenues from the property tax remain rare. Examples include a scheme introduced in the Minneapolis-St. Paul area in 1971, and a more far-reaching one in Charlottesville, Virginia and the county of Albemarle (Fisher 1982; Orfield 1996; Turnbull 2002). Outside of such areas, the wide variation in local fiscal capacities as well as local choices produces a wide variety of local revenues per capita and diverse local fiscal arrangements. Frequent resort to local borrowing through bond issues to raise money enhances the variety in local fiscal arrangements.

Personnel. As in a number of other countries, including Australia, Canada, and New Zealand, local government personnel are not part of a professional, career civil service with special educational credentials. Unlike in most of these other countries, however, local governments hire considerably more of the public employees in the United States than any other level of government.

In 2003, local governments employed fully 64 percent of all civilian government personnel. As employment in the federal government has declined as a proportion of the total in recent decades, local governments have gained the most relative to other levels. Federal government employment declined from 18 to 13 percent of the total between 1980 and 2003. At the same time, local government employment rose from 59 percent to the current level. Most of this increase took place in the public education sector. Public school districts at the local level now employ thirty percent of all civilian public employees in the United States, and nearly half of local government personnel.

Civil service rules often require standardized examinations for local personnel in a variety of professional fields,



and many cities have civil service commissions that oversee application of these rules. These institutions notwithstanding, assessments of the qualifications of officials vary widely (e.g., Freyss 1995). In fields where professionalization has taken hold, including teachers, attorneys and engineers, state and local rules require professional certification for local appointments. Firefighters and police also require specialized training and credentials. Although college and graduate degrees are often preferred for local positions, professional training and credentialing may have little formal relation to these. Many city managers have degrees in public administration, for instance, but this is not necessarily a requirement for the office.

Many of the most widespread institutions and practices in U.S. local government grow out of anti-corruption movements that swept across the country in the late nineteenth and early twentieth centuries. Reform movements challenged widespread corruption in the older settled areas of the Northeast and Midwest, and laid the foundations for local government institutions in newly developing areas like the Southwest. Such widely diffused innovations as civil service reforms, citizen commissions, citizen referenda, recall of officials and the professionalization of city managers grew out these movements. From the nineteen-sixties a renewed wave of reforms brought open meetings laws, freedom of information laws, conflict of interest rules and decision-making procedures like public hearing requirements and environmental impact statements. Although it would be inaccurate to say that these mechanisms have eliminated public corruption altogether, they have assured generally high levels of public integrity in relation to international standards.

Amidst the wide variety of local management cultures in the United States, one common element has been the search for efforts to improve service provision in the face of frequent fiscal pressures. Since the 1990s, initiatives to “reinvent government” (Gaebler and Osborne 1990) have been a part of local agendas across the country. The need to meet budget shortfalls through local innovations has been an important source of these pressures for innovation. Some observers also noted the spread of new norms in local politics that emphasize efficiency and fiscal conservatism (Clark and Goetz 1994).

One of the most widespread aspects of this new culture has been an openness to private and public-private forms of service provision. Although a wave of privatization that began in the 1980s had subsided by 2000, arrangements with private businesses or non-profit agencies remain a staple of local reform agendas. In a 2003 survey, 69 percent of local Chief Administrative Officers reported that the local government had partnered with a private or non-profit organization to provide a service or run a program (International City Managers Association 2003). Sixty-three percent reported that the local government had contracted out municipal services to a third-party vendor. Among the latter group, 49 percent always found cost savings from contracting out, and 46 percent sometimes did.

At the same time, many local governments have stressed improving relations with local citizens, considered as customers of local government. In the same 2003 survey, 69 percent of council members nationwide reported funds for customer service training in local budgets. Sixty-three percent reported efforts to train employees to better deal with citizen complaints.



Management reforms like these have typically revolved more around improvements to efficiency and public relations than around the quality of locally provided services. However, organizations like the City and County Managers Association have sought to promote benchmarking and other methods that provide for more transparent assessments of quality.

the trend toward privatization, e-government initiatives and other related reforms, have proceeded mainly through individual local initiatives.

7. Conclusion

Local government in the United States presents one of the most diverse arrays of state and local practices worldwide. Each state, and many of the localities within them, operates by often distinctive systems of rules. Even within localities, division of many local services into specialized functional districts fragments the organization of local government. Although a creature of state governments rather than the national constitution, local government has nonetheless often received legal powers that often rival those of stronger European local governments. It is also the largest component of U.S. government as measured in terms of expenditures, and by far the largest as measured in terms of personnel.

Fitting this decentralized structure, much of recent change in U.S. local government has taken place incrementally rather than through far-reaching national reforms. Local government has gradually grown in personnel and has taken up a growing component of overall public expenditures. In a number of specific policy domains, notably education and homeland security, national and state governments have reconfigured local authorities and imposed new systems of requirements on localities. Horizontal intergovernmental cooperation and functional district governance have also expanded. Other changes, such as