

ISSUES IN NATIONAL AND STATE DEVELOPMENT POLICY

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This paper draws attention to 3 issues in state and national development policy. The first concerns the paradox of decentralization. It is pointed out that, although the federal government is encouraging decentralization of authority in the federal system and state and local governments are alleged to be free of statutory restrictions and administrative regulations, we are in a time of crisis. In the past, such times have demanded concentration of power in the hands of governmental bodies that are capable of action. The second issue relates to the growth in power of both state and federal legislatures. This rising strength in relationship to the executive branch is viewed as altering current patterns of operation in ways that are currently impossible to predict. The third issue concerns the declining autonomy of line agencies. This is seen in the fact that highway departments and other agencies can no longer ignore the wishes of local elected officials. Increasingly, the courts offer a means not only of blocking undesirable projects but also of forging viable alternatives.

•THIS PAPER will cover briefly 3 issues in state and national development policy.

PARADOX OF DECENTRALIZATION

The first issue concerns the paradoxical and conflicting tensions between our desire to decentralize authority and our need to concentrate power. Under the rubric of the new federalism, we are in an era marked by official encouragement of decentralization of authority in the federal system. General revenue sharing has been enacted, and, under it, state and local governments are alleged to be free of statutory restrictions and administrative regulations that, in the past, have limited their ability to apply funds from the federal government to problems perceived at their own level. Whether this freedom exists is open to question.

In addition to general revenue sharing, many narrowly categorical federal programs have been joined together in the form of block grants. Health and the work force were among the first. Most recently, the community development program has been enacted. Under these measures, state and local governments receive funds almost on an entitlement basis; they only have to submit plans that are presumed to be based on a careful analysis of need. It should be noted here that federal funds for transportation remain constrained by the limitations on use of highway trust funds. The major breakthrough in the transportation field is the availability of Urban Mass Transportation Administration funds for operating subsidies.

President Ford's Administration also has made much of its administrative decentralization. Staffing of Federal Regional Councils and decentralization of program decisions to the regional level allegedly produce easier access of state and local officials to responsible federal program officers. Again, truth is elusive. One high state official from the Midwest recently commented that true authority would come to the Federal Regional Councils only when they could shift money among programs and among states, and they can do neither now.

The rhetoric, then, is about decentralization. The paradox, however, is that times of crisis have, without exception, demanded concentration of power. We see this even today as the President and Congress compete with each other on solutions to problems

arising out of our consumption of energy and problems in our economy. Solutions to these problems are not likely to come from initiatives at the state or local level.

At the state level, we see the movement described by Mandelker and Stamper (1) in which the states are reasserting their legitimate interest in decisions regarding land use, an arena of decision making previously guarded jealously by local governments. It is not too farfetched to see a situation emerging in which the federal government will devolve more responsibility on local governments and states will remove it, particularly in matters related to the environment.

Another indication of state movement is the tendency to create bodies through which they can speak together. Fifteen states have joined together to create the Southern Growth Policies Board, which is a compact organization designed to be a regional research and policy development mechanism. Similar organizations exist in New England, the Rocky Mountains, and the Pacific Northwest. Through these agencies, the states are finding ways of asserting state and regional positions on matters proposed at the federal level.

I conclude from the evidence at hand that, in spite of the rhetoric related to decentralization, the conditions of the time will continue to demand concentrated authority in the hands of governmental bodies that are capable of action. The ultimate yield of all this will be new patterns of relationships among levels of government such as those discussed by Hammer (2).

EMERGENCE OF THE LEGISLATURES

The second issue relates to the growth in power of the legislatures at both the state and federal levels. To an extent, this growth in power has occurred at the expense of the executive branch of government. But whether or not that is the case, legislative bodies have vastly increased their own capability for independent analysis of public policy issues before them, thereby reducing their dependence on the executive branch for information.

In Congress, this movement is seen in the creation of the Office of Technology Assessment and by the creation of budget committees in both the House of Representatives and the Senate. The latter move, especially, provides Congress with a capacity it never has had to analyze budget requests and produce a governmentwide budget that is not fragmented as it was under the old appropriations process.

Similarly, state legislatures are increasingly providing themselves with continuing staff capability. No development of recent years is more significant in reducing the negative image of legislatures than the creation of legislative staffs.

In the larger context, the rising strength of the legislatures in relationship to the executive branch will alter current patterns of operation in ways that cannot be predicted. Perhaps all that can be said safely at this point is that legislatures, which have traditionally had little more than politics to weigh in their decisions, will now have a more substantial factual basis. How that base will be used and whether it will improve the quality of decisions will begin to be answered during 1975.

DECLINING AUTONOMY OF LINE AGENCIES

With the increasing strength of elected officials from the Congress to local city councils has come a declining strength of functional agencies, which is the third issue. Highway departments, for example, are no longer able to build where and when they want. Governments, strengthened by increasing staff capacity of elected officials, have shown power in placing restrictions on the operation of independent utility agencies, forcing them to see that their plans for expansion fit together with the comprehensive plans of the jurisdictions in question. Although we are still far from absolute control by local elected officials, the time has passed when highway departments and other agencies could arrogantly ignore the wishes of local elected officials. Increasingly, as Mandelker (2)

has pointed out, the courts offer a means not only of blocking undesirable projects, but also of forging viable alternatives.

REFERENCES

1. D. R. Mandelker and H. A. Stamper. New Frontiers for Land Development Controls. Paper in this Record.
2. P. Hammer. Issues and Actions for Managing Development. Paper in this Record.