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Review Essays/Notes critiques

Political Science, Political Economy, and the Local State

Warren Magnusson

Political scientists in Canada have kept closer to the original agenda of local government studies than their counterparts in Europe and the United States. American political science was overcome by the "behavioural revolution" in the 1950s, and since then — despite the waning of behaviouralism itself — attention has been focused on political processes, rather than institutions and organizations. Many distinguished American political scientists have examined government and politics at the local level, on the assumption that the larger political system is reproduced in miniature there.¹ This had led to important theoretical insights, and broadened the concerns of local government studies. In the more centralized states of Europe, there has been less interest in the local. Nevertheless, urban studies have been caught up in the new forms of political economy and political sociology, so that state activities at the local level have been considered from radically different perspectives.²

Repeated provincial inquiries into questions of municipal organization³ have helped to sustain interest in traditional problems: where should boundaries be drawn? how big should municipalities be? how should they be constituted? what functions should they have? how should their services be organized and financed? These certainly are important questions, and they retain their theoretical interest, because they cannot be resolved without considering constitutional principles.⁴ Had Canadian interest in these questions generated innovative answers, there would be no reason to lament the traditional focus of local government studies in this country. Unfortunately, Canadian thinking has been contained within traditional limits. Admittedly, the verities of the Progressive reformers have been left behind. Contemporary political scientists are now likely to favour a large, partisan council, elected by wards and led by an executive committee responsive to a partisan majority.⁵ However, this shift in perspective involves only the assimilation of municipal government to traditional Parliamentary ideals. The municipality is seen as a mini-state, with a proto-Cabinet and legislature, wanting only the reforms that would bring its practices in line with federal and provincial models. This

conception lends credence to the demand for larger units of local government: ones that encompass whole urban communities, permit rational development planning, and internalize the effects of municipal taxes and expenditures.⁶ The latest techniques of corporate planning can be applied within such units — as can the measures for decentralization and citizen participation appropriate to large-scale representative governments.⁷ From this perspective, reform consists in bringing the municipalities up to the level of the senior governments.

Such a perspective seems anachronistic at a time when bureaucratic-representative government is itself in question as a political model. Implicit in the traditional view is an acceptance not only of Parliamentary democracy and bureaucratic administration, but also of the welfare state and Keynesian economic management. Reformed municipalities are supposed to take their place in managing the mixed economy and administering the welfare state. The assumption is that the regime they are to serve is generally benign and efficient. The recent successes of neo-conservatism suggest that this assumption is no longer so widely shared. The criticisms advanced by the New Left and the New Right have cast a shadow on the welfare state and the reforms associated with it. Unfortunately, students of local government in Canada have been slow to respond to these new perspectives.

Public Choice and Economic Welfare

Bird and Slack's new text, *Urban Public Finance in Canada*,⁸ may signal the arrival in Canada of that form of neo-conservative political economy known as "public choice." This approach has become increasingly popular in the United States, especially in the urban field.⁹ However, its influence on urban studies in Canada has been surprisingly limited. Significantly, Bird and Slack are both economists, and they appropriate the insights of public choice in what purports to be a strictly economic analysis of local government in Canada. Despite the apparently restrictive title of their book, Bird and Slack consider both the revenue and expenditure sides of the "urban public economy," and offer as succinct and clear a description of the institutions of local government as most of the political science texts. What is more,

the authors give their own solutions to the questions of governmental organization that have concerned political scientists. In themselves, these solutions are not unconventional, but they are posed with regard to only one criterion for political organization — economic welfare.¹⁰ This truncation of political theory is typical of economic analyses of political questions, and it opens the way for a full-blooded application of the public choice approach.

Bird and Slack themselves are cautious in applying a public choice analysis. Indeed, they seem caught between sympathy for the traditional solutions of metropolitan reform and attraction for the theory of public choice. The latter has a privileged position in their analysis, as the most powerful theory of the urban public economy, but the authors back away from any tough conclusions. For a better sense of where public choice might lead, we must turn to a book like Bish and Ostrom's *Understanding Urban Government*.¹¹ Even there, conclusions are stated with some hesitancy, but the thrust of the analysis suggests that we would be better off with a greater dispersal of authority at the local level, more competition between service agencies, and more opportunity for individuals to select the public goods they want. By contrast, traditional reformers have favoured a concentration of local authority, hierarchical coordination of services, and homogeneity in public goods. As economists, Bird and Slack evidently are attracted to the idea that the public economy should be more responsive to consumer demands, and they sympathize with the notion that monopolistic bureaucracies may be kept in check by market-like competition. On the other hand, they are sensitive to the inequalities generated by the market, and so favour measures like the provincialization of public education. As they recognize, "In the long run it may certainly be a sensible alternative for a society to opt for a less efficient but more equitable public-sector delivery system."¹²

From a public choice perspective, Bird and Slack make the error of setting the central government apart from their analysis of the urban public economy: they treat it as the *deus ex machina* that sets the rules for local activity. This means assuming that the wise and beneficent gods in Ottawa and the provincial capitals may be induced, by appropriate advice, to correct the deficiencies of the urban public economy. A public choice analysis forces us to recognize that problems are not solved by assigning them to a government with the formal capacity to deal with them. The private use of public power — manifest in bureaucratic empire-building, the capture of public agencies by vested interests, etc. — makes the neatest hierarchies of authority meaningless and frustrates the most rational procedures for decision-making. This is common knowledge, but it has not inhibited traditional reformers from proposing changes that leave this reality out of account. Public choice analysis draws attention to the market-like competition within the urban public economy. This competition, it is said, can keep agencies (including federal and provincial bureaucracies) in check, while allow-

ing for the sort of spontaneous mutual adjustment that permits resolution of common problems. These delicate arrangements are often ignored by traditional reformers, who assume that nothing is lost when authority is consolidated.

Mark Sproule-Jones claims that public choice analysis transcends traditional economics, political science, and public administration: it is for him the new paradigm of social science.¹³ The claim is that this approach avoids the partial analyses that result from taking the market, the state, and the bureaucracy as given, and dealing in isolation with the conditions for rationalization within each. A public choice analysis demands that the three be considered in relation to one another, and that the same analytic techniques be applied to each. These techniques are largely borrowed from conventional economic theory, but insights from strategic analysis and game theory are also used to model behaviour in non-market situations. As a result, components of the state and the bureaucracy can be conceived as agents within an urban public economy, interacting with private firms and a mass of individual consumers. Careful investigation is required to determine how the public economy works and to reveal how it might be improved.

Sproule-Jones tries to show that public choice analysis is epistemologically and ideologically neutral.¹⁴ This would be a more credible claim if there were a public choice critique of the market economy. In fact, such a critique is about as likely as a pro-capitalist Marxism. The market is the paradigm of equity and efficiency in public choice analysis, and other social arrangements are treated as deviations from the ideal of free market adjustment. Necessary as these arrangements may be, they always appear inferior, and improvements to them inevitably take the form of market-like mechanisms. If traditional reformism — attached as it is to the welfare state and Keynesian economic management — always points towards the rationalization and consolidation of public authority, the public choice approach points with equal certainty in the opposite direction. This suggests that the differences between the two are mostly a matter of ideological disposition.

The ideological disposition of public choice is obviously liberal in its original sense. Hence it is supportive of the nostrums of neo-conservatism: user charges for public services; "contracting out" of public employment; de-regulation of private enterprise; etc.¹⁵ Measures of this sort are supposed to increase the efficiency of the public sector, and make it more responsive to consumer demands. Consumer sovereignty is the ideal, and the market (or one of its surrogates) is the mechanism for achieving it. The theorists of public choice seem innocent of the standard criticisms of the market, especially those that cannot be adequately stated in economic terms.¹⁶ The latter tend to break from the utilitarian, individualist assumptions of public choice, and raise broader philosophical questions. Since conventional economists share these basic assumptions, they also are insensitive to such

questions, and are liable to be attracted, like and Bird and Slack, to an approach that offers market solutions to political problems.

Traditional reformers would be less vulnerable to the public choice critique, if they themselves were less inclined to an economic approach. As Brownstone and Plunkett observe in *Metropolitan Winnipeg: Politics and Reform of Local Government*, “most attempts to reform Canadian local government have sought structural or boundary changes aimed largely at administrative objectives like economy and efficiency in the delivery of services. . . . Rarely have reforms or reorganization proposals actively sought a more politically conscious role for local government, or proposed structures and processes to further it.”¹⁷ The Unicity scheme, introduced by the Schreyer government in Winnipeg, came closest to breaking these traditional limits, but it was greatly modified in implementation and subsequent amendments have removed some of its most promising features. In any case, the shift towards participatory democracy at the local level — encouraged by Brownstone and the other consultants — was offset from the beginning by a commitment to the Cabinet-Parliamentary model of representative government. The latter seemed the necessary complement to administrative centralization. Centralization was in fact the main objective of reform: it seemed the key to improving the economic welfare of the people in the city. However much interest there was in political reform, economic objectives were paramount.

This economic emphasis has marked the theory and practice of local government reform in Canada and elsewhere.¹⁸ The public choice theorists thus have had an easy time exposing the weaknesses of the traditional approach, and proposing solutions that make better sense in terms of market economics. Political scientists have been embarrassed by their inability to offer convincing *political* reasons for resisting public choice at the local level. Although appeals are made to both the Cabinet-Parliamentary and participatory-democratic models of local government, the theories that would demonstrate the superiority of these models in relation to public choice are woefully underdeveloped. Political scientists take refuge in the standard Keynesian critiques of laissez-faire. These critiques can be applied with some force to the public choice model,¹⁹ but they carry less conviction now that Keynesianism has itself gone out of fashion. One can only hope that the growing influence of neo-conservative economics will force political scientists to do more of their own thinking.

The Political Economy of Local Government

The focus of local government studies in Canada on questions of structural reform has diverted attention from the effort to explain existing institutions and practices. One result is naivete about the potential for significant change. Fortu-

nately, experience of the urban reform movement of the 1970s²⁰ — in which many academics were involved — has increased political sophistication. Two forms of political economy — populist and neo-Marxist — have emerged from this ferment. They are distinguished from the political economy of public choice, by a critical view of the market. What they notice is the predominance of vested interests or class interests that pervert or structure the market and frustrate democracy. To explain how this happens and to demonstrate its effects on public policy and political decision-making are the main concerns of these forms of political economy. Thus, their ideological disposition is clearly to the left.

Populist political economy was in vogue throughout the 1970s. James Lorimer has been its most important exponent.²¹ In terms of the theory of local government, his key idea is that Canadian municipalities are, in effect, special-purpose agencies for servicing and regulating urban property.²² This narrow functional ambit has profound political implications, for there is widespread evidence that a special-purpose agency is liable to be captured by the industry it is supposed to regulate.²³ This, Lorimer has suggested, is what happened to most Canadian municipalities. He and others adduced considerable evidence to this effect in the 1970s.²⁴ However, there is reason for thinking that the situation has changed somewhat since then: municipal councils in larger cities have become more broadly representative, thanks partly to the efforts of people like Lorimer. On the other hand, it would be difficult to say that municipal councils in the 1980s are much less sympathetic to business interests than they were. This suggests that the political colour of a council is not the most important factor in determining responses to urban problems.

Getting at the determinants of urban policy means transcending the limits of populist political economy. The tendency in the latter is to attribute policies to vested interests — interests that have to be overcome by the concerted efforts of the citizenry. This is to ignore the way citizens share in the interests and ideological perspectives of business. It is not just the property industry that seeks enhancement of land values: home-owners too are concerned about their investments. Nor is local business the only proponent of urban development: workers generally are interested in expanding the job market, and most people are caught up, to some degree, in the growth mentality. To explain these things, without losing sight of the inequalities that structure our society, means turning to neo-Marxist political economy.²⁵ The latter points away from a simplistic understanding of the municipality as a servant of vested interests, towards a view of it as a mediating agency in a society dominated by capital.

Despite the growing popularity of the neo-Marxist approach, there is nothing like a comprehensive account of urban politics and local government in Canada from this perspective. Most of the good work has focused on the pro-

cess of urban development.²⁶ This reflects the fact at the centre of populist political economy: that Canadian municipalities have few powers *except* in relation to urban development. Neo-Marxist analyses are more broadly framed than their populist counterparts, and show greater sensitivity to the weight of capitalism itself in determining patterns of growth. They also recognize the conflict between different fractions of capital: financial, industrial, and commercial; local, national and multi-national. The urban property industry appears weaker and more divided in this light. On the other hand, wider capitalist interests seem more firmly entrenched. Class analysis reveals how these interests are represented in the urban reform movement itself, and hence on both sides of the now typical political divide between critics and proponents of urban development.²⁷ What emerges from neo-Marxist analysis, therefore, is a more balanced account of the politics of urban growth and a less sanguine view of populist reform.

Perhaps the most interesting neo-Marxist insight relates to the clash between “production” and “consumption” interests in urban politics.²⁸ The latter found expression in the populist urban reform movement of the 1970s: i.e., in resistance from “consumers” of urban space to policies that threatened amenities and services for the sake of development. On the other hand, the traditional boosterism of municipal councils — resurgent in the 1980s — reflects the predominance of producer interests. Since the production-consumption cleavage cross-cuts the class structure, political alignments at the local level take peculiar forms. Militant construction unions may lend support to their own bosses, while working class radicals woo middle-class homeowners.

However, to recognize the production-consumption cleavage is not to have a complete theory of urban politics. Most comprehensive neo-Marxist theories have been developed in the U.S. and Europe, but most of them suffer from a tendency to reduce politics to economics.²⁹ These theories also suffer from the sort of ethno-centrism that makes them inapplicable outside the contexts in which they were formulated. Canadians thus have no option but to develop their own ideas. In doing so, they may be advantaged by their peripheral position in the global order. Americans and West Europeans think of themselves as at the centre of the world, so it is all too easy for them to imagine that what is peculiar to them is of global significance. A greater modesty is enforced upon Canadians. To date this has simply discouraged theoretical speculation, but we may hope for Canadian efforts that bring a trans-national perspective to bear. Such a perspective may help to redress the balance within urban political economy in favour of political and ideological factors, since these are hard to ignore in a trans-national analysis.

Underdeveloped and one-sided as it often is, neo-Marxist political economy holds great promise for urban historians as well as political scientists. It forces attention to the great

fact of modern life — capitalism — and it forestalls the simplicities of populist analysis. Much urban history is implicitly populist, and so brings an unsophisticated understanding to bear in its accounts of Canadian urban development. It also stops short of the current era, focusing its attention on the period up to 1920. The result is that the years between 1920 and 1960 remain largely unexplored — too recent for urban historians and too distant for political scientists. Political science accounts of the last quarter century are inevitably defective, because they abstract from what went before. Although a neo-Marxist perspective imposes a consciousness of history upon political scientists, they are often ill-prepared for historical research and frustrated by the disjunction between the historians’ interests and their own. Greater attention among urban historians to the concerns of neo-Marxist political economy could lead to important new research, that would at least have the value of sweeping away the historical misapprehensions of political scientists.

In this respect, there are major questions in regard to the evolution of Canadian local government. How did the Canadian municipalities come to have such narrow functions? Why did the municipalities and other local authorities lose so much ground to the provinces between the 1920s and the 1950s? To what extent were the local authorities themselves responsible for the upward shift of responsibilities and financial resources? How did this relate to the patterns of political power at the local level? And how were these various developments conditioned by changes in the Canadian economy? Answering these questions is no easy matter, but it is crucial for understanding how urban government and politics came to take the form it did — and how it might evolve in future.

A Local State Perspective

In his book, *City Limits*,³⁰ Paul E. Peterson suggests that the political science of American local government has suffered from the assumption that the city is but a mini-state where national politics is to be found on a smaller scale. The truth is that the city — more so any lesser municipality — is fundamentally limited in its capacity. Because its territory is contained within a national economy it cannot control, a city’s fiscal resources are dependent on its capacity to attract and hold investors and to make it self amenable to higher-income residents. It is thus under intense pressure to cater to the needs of the bourgeoisie. Peterson himself puts the point differently, since he treats the capitalist economy as a given. In any case, the perceived effect on municipal governments is to make them incapable of engaging in redistributive action. The politics of redistribution is displaced upward, and city politics focuses on economic *development* — in which business leaders take the lead with the consent and the support of other elites — and on the *allocation* of public goods and services — which is determined by a competitive and pluralistic political process. The weak position of the city in

relation to the national economy thus gives its politics a distinctive character.

Peterson's theory is superficially compelling, especially when applied within a North American context. However, it fails to explain the constitutional structure that makes municipalities especially vulnerable to economic pressures and discourages them from redistributive action. Is that structure a cause or an effect of municipal politics? To some extent it is an effect, since local business elites — or the bourgeoisie more generally — have secured the political structures they wanted at the local level. These structures evidently protect against redistribution and encourage the pursuit of economic growth.³¹ A number of the essays in Tabb and Sawers' *Marxism and Metropolis* illuminate this process of political structuring in the American case.³² In particular, they show how the territorial fragmentation of American local government — which encourages inter-municipal economic competition — can be explained in terms of the interests of industrialists and middle-class consumers. This puts the pressures Peterson describes in a different light.

Whatever the defects of Peterson's theory, it is extremely suggestive. In particular, it forces us to recognize that local governments are not just national governments writ small, but quite different political entities whose character is profoundly affected by their own structural limits. To explain how these limits are politically determined, and how in turn they condition the political process, is a major task. Aside from his failure to take account of this dialectical relation, Peterson can be faulted for identifying "the city" with local government in general. A metropolis is not like a small city, nor is a suburb the same as a core municipality. Small towns, villages, and rural districts are different again. It is well to recognise that Western societies are preponderantly urban, but "the urban" is not a uniform field and what is "rural" is not negligible. In Canada, we have to be conscious of a huge rural hinterland that is non-agricultural and a distinctive complex of native institutions at the local level. This ought to remind us of the socio-geographic variation in the settings for local government, as well as of the institutional differentiation that goes with it.

A theory of local government ought to take account of the full range of political institutions at the local level. As Matthew A. Crenson suggests in his recent book on *Neighborhood Politics*, even a neighbourhood deprived of its own governmental institutions may constitute a "political society": "It is neither a government nor a private group but something in between and it derives its political status both from the functions that it performs and from the public nature of the constituency that it serves."³³ Crenson's investigation of the formation of such political societies in Baltimore neighbourhoods is revealing, not only with respect to the factors that encourage or inhibit political organization but also with respect to the character of political life at this level. The informality of life and the loose structure of gov-

ernance it produces may lead us to suppose that nothing substantial is there. Crenson's analysis suggests otherwise, and leads to the important conclusion that neighbourhood politics may exist with or without governments.

If the phenomenon of the neighbourhood polity is general — common to both urban and rural areas — then we must understand local government and politics in a new way. The political ordering of territory and the governmental ordering of it are not identical. Thus the neighbourhood may be an important political entity, even though it is rarely constituted as a government. The governmental ordering of territory is obviously established politically, and this process may involve conflict between different levels of polity. As Canadians ought to have learned from the study of federal-provincial relations, such conflict is not simply the expression of "class," "regional," "ethnic" or other tensions. What is at stake is the political self-definition of a people. This takes the form (in part) of a territorial ordering of political life and governmental authority. How this happens is really little understood, despite all the writing on inter-governmental relations in Canada.³⁴ There is tendency to assume that governmental and political territories are identical, and so to ignore the structuring of the one by the other.

Even thinking in governmental terms, it is clear that the conventional federal-provincial-municipal division is analytically inadequate. At the local level, municipalities are ostensibly the general-purpose governments. But we all know that there are special-purpose local governments, like the school boards, that have collective resources comparable to the municipalities and perform functions of similar importance. There are, moreover, many local agencies of the federal and provincial governments, from hospitals to police stations. The public choice theorists include all such agencies within the local "public economy." A better term would be "the local state."³⁵ The municipalities are but elements within the local state, and not necessarily the most important ones. At the provincial level, there is also penetration from above, since the federal government has its own provincial agencies. However, the provinces have been far more successful than the municipalities at protecting themselves from intrusions in their own space — in effect, making themselves sovereign at this level.

To look at matters from a local state perspective is to reveal an unanalyzed universe. There is not even any adequate description of the local state in Canada, let alone an account of how it came to be structured as it is. The latter would involve exploration of the units of political organization at the local level (be they territorial or other). These are tasks that political scientists are most fit to undertake, but they seem to have been driven away from their proper business. The "urban" and the "local" are conceived in sociological or economic terms, and political science is confined to the "municipal" surface. Even on that surface, the emphasis is on description and prescription, rather than on

explanation. So long as this is so, people will turn to economics and sociology rather than political science for insight — and the local state will remain obscure.

NOTES

1. E.g., Robert A. Dahl, *Who Governs?* (New Haven, 1961); E.C. Banfield, *Political Influence* (Glencoe, Ill., 1961); Theodore J. Lowi, *At the Pleasure of the Mayor* (New York, 1964); Peter Bachrach and Morton S. Baratz, *Power and Poverty* (New York, 1970); Daniel J. Elazar, *Cities of the Prairie* (New York, 1970); and Heinz Eulau and Kenneth Prewitt, *Labyrinths of Democracy* (Indianapolis, 1973).
2. Neo-Marxist political economy has been especially influential: see, e.g., Manuel Castells, *The Urban Question* (2nd ed., London, 1977) and *The City and the Grass Roots* (Berkeley and Los Angeles, 1983); David Harvey, *Social Justice and the City* (London, 1973) and *The Limits to Capital* (Oxford, 1982); Patrick Dunleavy, *Urban Political Analysis* (London, 1980); and Peter Saunders, *Social Theory and the Urban Question* (London, 1981). This literature has developed in response to mainstream — mainly American — political sociology: e.g., Louis Wirth, *On Cities and Social Life* (Chicago, 1964); Amos Hawley, *Human Ecology* (New York, 1950); Oliver P. Williams, *Metropolitan Political Analysis* (New York, 1971); E.C. Banfield and J.Q. Wilson, *City Politics* (Cambridge, Mass., 1963); Willis D. Hawley and Frederick M. Wirt, eds., *The Search for Community Power* (Englewood Cliffs, N.J. 1968); Matthew A. Crenson, *The UnPolitics of Air Pollution* (Baltimore, 1971); and R.E. Pahl, *Whose City?* (2nd ed., London, 1975).
3. For a recent review of this activity, see C.R. Tindal and S. Nobes Tindal, *Local Government in Canada* (2nd ed., Toronto, 1984), ch. 5.
4. The issues raised are well reviewed in Lionel D. Feldman, ed., *Politics and Government of Urban Canada* (4th ed., Toronto, 1981), Parts I and V.
5. See, e.g., T.J. Plunkett and Katherine A. Graham, "Whither municipal government?," *Canadian Public Administration*, 25 (1982), 603-18. Cf. Jack K. Masson and James D. Anderson, eds., *Emerging Party Politics in Urban Canada* (Toronto, 1972); and T.J. Plunkett and G.M. Betts, *The Management of Canadian Urban Government* (Kingston, 1978).
6. Cf. U.K., *Royal Commission on Local Government in England, 1966-69* (Cmd. 4040), and Committee of Review, *City of Winnipeg Act, Report and Recommendations* (Winnipeg, 1976).
7. Warren Magnusson, "Community Organization and Local Self-Government," in Feldman, *Politics and Government of Urban Canada* (4th ed.), 61-86.
8. Richard M. Bird and N. Enid Slack, *Urban Public Finance in Canada* (Toronto, 1983).
9. See, e.g., Robert L. Bish, *The Public Economy of Metropolitan Areas* (Chicago, 1971); Vincent Ostrom and Frances P. Bish, eds., *Comparing Urban Service Delivery Systems: Structure and Performance — Sage Urban Affairs Annual Review, XII* (Beverly Hills, Calif., 1977); E.S. Savas, ed., *Alternatives for Delivering Public Services* (Boulder, Colo., 1977); and Elinor Ostrom, ed., *The Delivery of Urban Services: Outcomes of Change — Sage Urban Affairs Annual Review, XI* (Beverly Hills, Calif., 1976). Cf. L.B. Smith, *Anatomy of a Crisis: Canadian Housing Policy in the Seventies* (Vancouver, 1977); Michael Goldberg and Peter Horwood, *Zoning: Its Costs and Relevance for the 1980's* (Vancouver, 1980); F.A. Hayek, et al., *Rent Control: A Popular Paradox* (Vancouver, 1975).
10. "For municipal governments to contribute their fair share in such a system, they would perhaps have to be restructured to some extent both organizationally and in terms of finances. In particular, the communities may well require new forms of governmental structure, along the lines that have in fact been developed in Canada (see chapter 3). Moreover, it has been suggested in this study that the most appropriate role for local governments is to provide certain local public services efficiently (chapter 3), and the best system of finance from the point of view of both efficiency and equity is one in which local residents pay for local services either directly through user charges (chapter 6) or indirectly through a residential property or income tax (chapter 5), with broad income differentials between communities being evened out to the extent desired by provincial-municipal unconditional transfers (chapter 7). Bird and Slack, *Urban Public Finance*, 118.
11. Robert L. Bish and Vincent Ostrom, *Understanding Urban Government: Metropolitan Reform Reconsidered* (Washington, 1973).
12. Bird and Slack, *Urban Public Finance*, 53.
13. Sproule-Jones, "Public Choice Theory and Natural Resources: Methodological Explication and Critique," *American Political Science Review*, 76 (1982), 790-804. See also his *Public Choice and Federalism in Australia and Canada* (Canberra, 1975).
14. Sproule-Jones, "Public Choice Theory and Natural Resources," 800-803.
15. Such ideas are canvassed in the works cited in n9 above. Cf. Bird and Slack, *Urban Public Finance*, ch. 6.
16. E.g., R.H. Tawney, *The Acquisitive Society* (London, 1920); Herbert Marcuse, *One-Dimensional Man* (London, 1964); Richard Sennett, *The Fall of Public Man* (New York, 1976); or even Daniel Bell, *The Cultural Contradictions of Capitalism* (New York, 1976).
17. Meyer Brownstone and T.J. Plunkett, *Metropolitan Winnipeg: Politics and Reform of Local Government* (Berkeley and Los Angeles, 1983), 12.
18. Magnusson, "Metropolitan Reform in the Capitalist City," *Canadian Journal of Political Science*, 14 (1981), 557-85.
19. See, e.g., Norton Long, *The Unwalled City* (New York, 1972); Richard C. Hill, "Separate and Unequal: Governmental Inequality in the Metropolis," *American Political Science Review*, 68 (1974), 1557-68; and Kenneth Newton, "American Urban Politics: Social Class, Political Structure and Public Goods," *Urban Affairs Quarterly*, 11 (1975), 241-64.
20. For a review, see Donald Higgins, "Progressive City Politics and the Citizen Movement: A Status Report," in James Lorimer and Carolyn MacGregor, eds., *After the Developers* (Toronto, 1981), 84-95, or more generally Magnusson and Andrew Sancton, eds., *City Politics in Canada* (Toronto, 1983).
21. See especially *A Citizen's Guide to City Politics* (Toronto, 1972) and *The Developers* (Toronto, 1977). Cf. Lorimer "Citizens and the Corporate Development of the Contemporary Canadian City," *Urban History Review*, 12:1 (1983), 3-9.
22. Lorimer, *A Citizen's Guide*, 9.
23. E.G., Marver Bernstein, *Regulating Business by Independent Commission* (Princeton, N.J., 1955); and Gabriel Kolko, *Railroads and Regulation, 1877-1916* (Princeton, N.J., 1066). More generally, see Grant McConnell, *Private Power and American Democracy*, (New York, 1966); and Theodore J. Lowi, *The End of Liberalism* (New York, 1969).
24. *A Citizen's Guide*, ch. 7. Cf. Donald Gutstein, *Vancouver Ltd.* (Toronto, 1975).
25. I here use the term "neo-Marxist political economy" loosely, to refer to work that develops from the Marxist problematic. Some of the authors noted below would reject the label.
26. E.g., Caroline Andrew, Serge Bordeleau, et Alain Guimont, *L'Urbanisation: une affaire* (Ottawa, 1981); Jacques Leveillé, *Développement urbain et politiques gouvernementales urbaines dans l'agglomération montréalaise, 1945-1977* (Montreal, 1978); and Michael D. Goldrick, "Perspectives on Governing the Regions and the Metropolis in the Future," in *Lessons from Regional Government* (London, Ont., 1977)
27. See Dimitrios Roussopoulos, ed., *The City and Radical Social Change* (Montreal, 1982); and Stephen Schecter, *The Politics of Urban Liberation* (Montreal, 1978).
28. Caroline Andrew, "Ottawa — Hull," in Magnusson and Sancton, *City Politics in Canada*, 139-65.

29. See n2 above. I have discussed this tendency in "Urban Politics and the Local State," *Studies in Political Economy: A Socialist Review* (forthcoming).
30. Paul E. Peterson, *City Limits* (Chicago, 1981).
31. Peterson recognizes this, and calls for restructuring to "permit the trade-off between equality and productivity to be debated within a local framework that at least resembles the one that shapes our national debates." *City Limits*, 222.
32. William K. Tabb and Larry Sawers, eds., *Marxism and the Metropolis: New Perspectives in Urban Political Economy* (2nd ed., New York, 1984).
33. Matthew A. Crenson, *Neighborhood Politics* (Cambridge, Mass, 1983), 19-20.
34. That writing is almost exclusively a literature on federal-provincial relations: the third order of government is almost entirely ignored in the mainstream literature on Canadian politics. On municipal relations with the other orders of government, see Kenneth Cameron, ed., "Municipal Government in the Intergovernmental Maze," *Canadian Public Administration*, 23 (1980), 195-317; Lionel D. Feldman and Katherine A. Graham, *Bargaining for Cities: Municipalities and Intergovernmental Relations: An Assessment* (Montreal, 1979); and Canadian Federation of Municipalities, Report of the Resource Task Force on Constitution Reform, *Municipal Government in a New Canadian Federal System* (Ottawa, 1980).
35. Magnusson, "Urban Politics and the Local State," and "The Structure and Functions of the Local State" (C.P.S.A. Annual Meeting, Guelph, 1984).