

URBANIZATION IN FEDERAL SYSTEMS

This is the first of what I hope will become a regular informational series on a new Center program in the field of comparative urban studies. The Center for the Study of Federalism and the Urban Studies Program at Temple have received a U. S. Office of Education grant to develop a cross-cultural and interdisciplinary graduate program on Urbanization in Federal Systems. By meshing the two fields of comparative urban and federal studies, we are in a position to directly study:

- 1) the ways in which inter-governmental relations and the distribution of power(s) in federal systems relate to urban policy issues and processes,
- 2) the uses of federal principles in the management of urban systems, and
- 3) the particular needs and demands which urbanization places on federalism in differing cultural and temporal contexts.

Graduate courses, faculty workshops and a year-long lecture series began this January. Information on these and related activities will be regularly circulated through the CFS Notebook and special memos. I am very much interested in receiving your comments and suggestions, as well as descriptions of your related activities. In this way, these memos may become a useful medium of communication.

Please address responses to: Dr. Stephen Schechter,
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UPCOMING ISSUES

A future issue of the CFS Notebook will be devoted to some aspects of intergovernmental relations both theoretical and practical. This issue will include a short essay on the origins of the term "intergovernmental relations" from Deil Wright, University of North Carolina and information on courses for government officials being offered at Indiana University of Pennsylvania and the Center for the Study of Federalism at Temple University.

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CONFERENCE FOR FEDERAL STUDIES MEMBERSHIP

Some confusion has arisen over the list of Conference members published in the last Notebook. This was not a complete membership list but reflected those members not previously listed. It is no longer practical to publish a partial list with each Notebook. Instead, we will publish a complete list once a year.

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CFS Notebook is distributed free of charge to members of the Conference for Federal Studies. It is published three times a year.

TEACHING ABOUT FEDERALISM

As stated in the first issue of CFS Notebook, the Conference for Federal Studies is concerned with the teaching of the principles and practices of federalism as it is in defining and examining them.

After publishing the Syllabus for Undergraduate Course in American Federalism, by Daniel J. Elazar, we have received several syllabi, two of which are published here. We continue to be interested in undergraduate and graduate syllabi for teaching about federalism or aspects of federal systems.

We welcome critical comment from our readers on the syllabi published here.

THE POLITICS OF INTERGOVERNMENTAL RELATIONS*

David A. Caputo
Purdue University

Political Science 519 is intended for the student who is interested in considering the various theoretical and behavioral explanations of the American federal system. Students will find it helpful to have had previous coursework in at least one of these areas: the presidency, parties, Congress, state politics, urban politics, or 19th Century political theory. This course is not meant for the person who lacks previous exposure to the "field" type American course. Students who are in doubt concerning their prior coursework should check with me.

The course outline and topics are organized to insure breadth and depth. In addition to these topics, there will be the opportunity to explore, in the free periods, additional topics which we decide are interesting and worthwhile. Students are urged to approach the subject matter in a critical and inquisitive manner.

The class will be organized using a discussion-lecture format; this places a premium upon students completing reading assignments when due and initiating and participating in class discussions. You are encouraged to do this. Students are expected to attend all scheduled classes. For undergraduates, a midterm and a final examination plus a short (less than 10 pages) analytical paper are required. Class participation will also be used to determine final grades. Graduate students should refer to the assignment supplement for their requirements.

One point must be stressed. Unless the class members actively participate, little can be expected. You are encouraged to do this. Feel free to discuss your work or the course with me at any time. If possible, please see me during my scheduled office hours.

Required Books

Undergraduate and Graduate

Hawley and Wirt, The Metropolitan Community
Doeth, Metrocolitics: The Nashville Consolidation
Reuss, Revenue-Sharing
Caudell, Night Comes to the Cumberlands
Fuzo, The Godfather
Ferschaw, Government Against Poverty
Blazar, The Politics of American Federalism
Blazar, American Federalism: A View From the States

Graduate only

Wildavsky, American Federalism in Perspective
 Riker, Federalism: Origin, Operation, Significance
 Bish, The Public Economy of Metropolitan Areas

READING AND LECTURE TOPICS

I. Introduction and Organization

II. The Study of Intergovernmental Relations: A Review of Past and Present Attempts

For this section complete:

Elazar, American Federalism, Chapter 1, pp. 1-32.
 In Elazar, The Politics: Section I: pp. 1-38.

Free class*

III. Intergovernmental Aspects of Poverty

A. The War on Poverty

For this section complete:

Kershaw, Government Against Poverty
 In Elazar, The Politics: The View From the States: p. 59-94
 Civil Rights: pp. 114-128.

Read first half of Elazar, American Federalism

B. Regional Approaches to Poverty

For this section complete:

Last half of Elazar, American Federalism.
 In Elazar, The Politics: Education: pp. 129-175
 Water Resources: pp. 176-186.

Caudill, Night Comes to the Cumberlands

IV. Revenue Sharing: Explanations and Possibilities

For this section complete:

Reuss, Revenue Sharing

HOURLY EXAMINATION

V. Organized Crime and Law Enforcement Practices

For this section complete: Puzo, The Godfather

Free class*

VI. Intergovernmental Aspects of Metropolitan America: Theoretical and Behavioral Implications

For this section complete:

Booth, Metropolitica

In Elazar, The Politics: The Local Perspective, pp. 95-113.

Hawley and Wirt, The Metropolitan Community.

VII. Intergovernmental Relations: The Future and Possible Problems

For this section complete:

In Elazar, The Politics:

Federalism Today and Tomorrow, pp. 187-225.

Elazar, American Federalism, pp. 197-216.

FINAL EXAMINATION DURING FINAL EXAMINATION PERIOD

*The free classes are to explore topics raised in the earlier discussion or to put the diverse materials in perspective.

INTERGOVERNMENTAL RELATIONS*

Richard F. Helges
Indiana University of Pennsylvania

Catalog Course Description: Explores the characteristics of federal systems of government, with emphasis on theories, origins, institutions, and problems in intergovernmental relations in the United States, federal systems in other nations, and trends.

Scope of the Course: Basically there are two objectives: (1) To explore the theories of the federal systems of government, and (2) To understand the problems of intergovernmental relations in the American federal systems.

Basic Textbooks:

1. Riker, William H., Federalism (Little, Brown and Co.)
2. Elazar, Daniel J., The Politics of American Federalism (D.C. Heath and Co.)
3. Elazar, et. al., Cooperation and Conflict (P. E. Peacock Publishers)
4. Wildavsky, Aaron, American Federalism in Perspective (Little, Brown and Co.)
5. Advisory Commission on Intergovernmental Relations (Report #-M-54, Dec. 1970 Washington, D.C.) Revenue Sharing - An Idea Whose Time Has Come.
6. ACIR (Report #-M-55, Dec. 1970), State Involvement In Federal-Local Grant Programs: A Case Study.

Supplementary Readings:

1. Elazar, Daniel J., American Federalism: A View From The States (Crowell)
2. Earle, Valerie (ed.) Federalism: Infinite Variety in Theory and Practice (Peacock)
3. Graves W. Brooke, American Intergovernmental Relations (Scribners)
4. Shuman, Samuel F. (ed.) The Future of Federalism (Wayne State University Press)
5. Pa. State Association of Boroughs, Source Book on Intergovernmental Cooperation, 1971.

Course Procedures: (1) Reading assignments will be made for each session. Each student will prepare a written summary and critique of the assignment. (2) Students will present their summaries and critiques orally at each session, and reactions of other students will be solicited at that time. (3) Each student will research and write a "case study" on intergovernmental cooperation. (4) Several guest speakers and resource persons will be utilized in the classroom. (5) A simulation or "game" entitled "Disunia" will be played.

Course Outline:

- I. Introduction to Federalism
Lecture and Discussion
- II. Theory of Federalism
Riker, Chap. 1
Wildavsky, Chap. I & II
Elazar (paperback), Chap. I
Elazar (hardback), #1-9
- III. Origin and Purposes of Federalism
Riker, Chap. 2
Elazar, et.al. (hardback), #10-13
- IV. Simulation -- "Game of Disunia"
- V. Patterns, Institutions, and Problems of Inter-governmental Relations
 - A. United States
Riker, Chap. 3 and 4
Wildavsky, Chap. III (#5 and #6).
Chap. IV (#12 and #13)
Elazar (paperback), Chap. II
Elazar et. al. (hardback), Chap. II and VI
ACIR, State Involvement in Federal-Local Grant Programs: A Case Study
ACIR, Revenue Sharing - An Idea Whose Time Has Come
 - B. Pennsylvania Inter-local Relations Lecture and Discussion
--materials to be distributed by instructor.
- VI. Federalism Outside the U.S.
Riker, Chap. 5
Wildavsky, Chap. III (#7 and #8),
Chap. IV (#9 and #11)
Also: Guest lecturers on federal systems
in Europe and Latin America
- VII. Future of Federalism
Riker, Chap. 6
Elazar, Chap. III
- VIII. Oral presentation of Case Studies.

INTERGOVERNMENTAL RELATIONS

"DISUNIA" and Theories of Federalism

DISUNIA was incorporated into the course on an experimental basis, after the students had read for several weeks, wrote brief papers, and discussed theories and origins of federalism. The 'game' was played for six 75-minute periods. Assignment sheets provided with the game were disregarded and instead at the end of the game the following assignment was given.

Making use of the readings on the theories and origin of federalism assigned thus far, write an essay showing how the theories could be applied to what happened during the "DISUNIA" Simulation. Which theories seem to "fit" and which ones do not?

In your essay, be specific in stating the theories clearly and giving credit to the authors. And be specific in citing illustrations of incidents in the simulation.

This assignment calls for a review of the literature, some deep thinking, careful planning of the essay, and writing and rewriting the final essay. Above all, let your writing "sparkle" with originality of approach and imagination!

In addition to turning in this written assignment, be prepared to present it orally to the class.

519 SUPPLEMENT

GRADUATE REQUIREMENTS

Graduate students are expected to attend all regularly scheduled classes and any supplementary classes that may be scheduled, to complete the readings as assigned, to participate in the class, and to complete three written assignments. These are:

I.

Prepare a short (not to exceed 12 pages) research design which would be suitable for doctoral research in which you:

a. Define a research problem you wish to explore from the intergovernmental perspective;

b. Clearly justify your selection of a research topic and designate the importance of your possible findings;

c. Explicitly state the hypothesis you wish to explore, data needs, and means of data analysis; and

d. Anticipate possible findings and conclusions.

II.

Develop an analytical paper (not to exceed 15 pages) evaluating the contributions of the Wildavsky, Riker, and Bish books to your understanding of intergovernmental relations. These should not be book reviews, but comparative analyses of the works. Feel free to bring in additional literature if you think it would be useful.

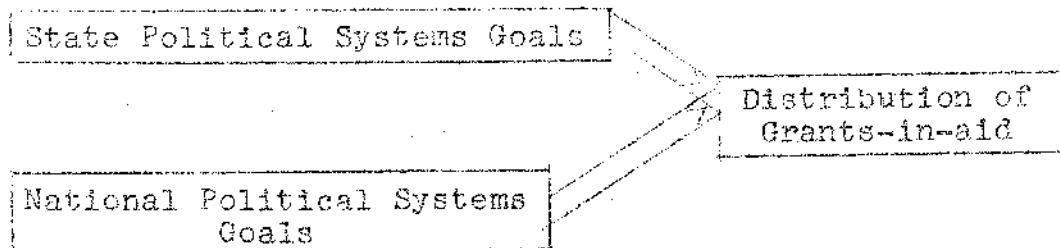
III. Final examination during the scheduled final examination period.

The examination will cover the lectures and readings (including the three supplementary books) from the entire semester and will be primarily essay with some short answer and identification.

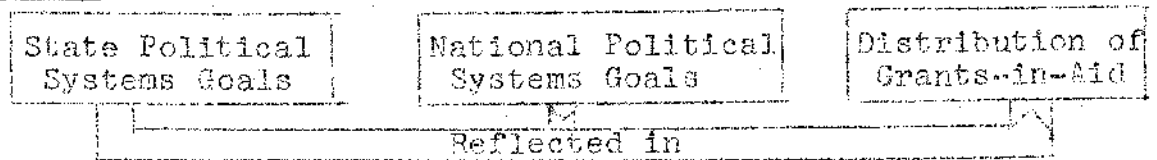
GRANTS-IN-AID: STATE OR FEDERAL OUTPUT?
 Some Preliminary Notes*
 Gerald Furman

The purpose of this research note is to identify the level of government (National or State) whose objectives are more successfully promoted by the distribution of grants-in-aid.¹ Three basic models can be extracted from the literature:²

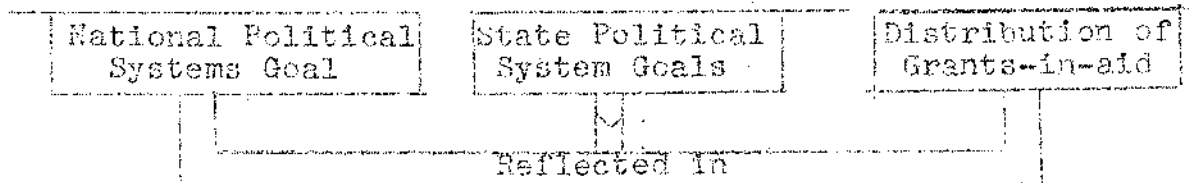
Model One



Model Two



Model Three



Model One portrays the goals of the national and state systems jointly and about equally reflected in the distribution of Grants-in-aid. Representatives of these systems are viewed as coordinating their efforts in a way that equitably promotes their respective objectives. The concept of "Cooperative Federalism"³ appears to "fit" this model.

Model Two depicts grants as most responsive to the goals of state political systems and model three, the nation system. The former conveys part of the meaning of "peripheralized federalism"⁴ (or what may be more directly

*The research was supported, in part by a Grant from the Faculty Research Council of Western Illinois University.

labeled: "State-Federalism") the latter "centralized federalism"⁵ (or "National-Federalism").

It is hypothesized that Model two is most appropriate in understanding and accounting for the distribution of grants (for the period studied).⁶ This hypothesis is postulated on a view of the states as decisive structures in grant policy (and, inferentially other national domestic policy) defining demands, forming coalitions aggregating these demands, and impressing their collective (coalition-based) will on national representatives.⁷ The national representatives, in this context, play a passive role, i.e., they are manipulated to a significant degree by coalitions of state representatives.⁸

CONCEPTUAL CLARIFICATION

Methodology⁹

A direct way to investigate the thesis is to specify persistent national and state goals and analyze relevant distribution data. If the data corresponds more to state than national goals, it will be concluded that grants-in-aid are more responsive to the goals of state political systems than the national political system (and vice versa).

Specification of persistent national and state goals, is a principal problem. The goals must be conceptualized in terms suitable for a "goodness of fit" test¹⁰ and at a level general enough to encompass all grants-in-aid (and, hopefully, other national domestic output). Furthermore, the level of generality and degree of salience (vis-a-vis the respective systems) of the goals must be, in approximate terms, comparable.¹¹ These conditions can be approximated by accepting one reasonable theorem - the self-aggrandizement theorem: governments at all levels (within and across political systems) tend to act in a way aimed at aggrandizing their governing influence.¹² Building upon this theorem, relevant persistent state and national goals can be deduced.

Application: National and State Goals

National and state governments are expected to act in a manner that aggrandizes their governing influence. One persistent goal of both levels of government, therefore, is to limit the governing influence of the other

level (and thus aggrandize its own). National government can effectively pursue this goal by distributing resources (e.g., grants-in-aid) in a way that discriminates against sub-national jurisdictions most challenging its governing influence, and rewards those least challenging.¹³ It appears reasonable to assume that the most challenging are the wealthier jurisdictions and the least challenging, the poorer jurisdictions.¹⁴ Thus, a persistent national goal is to allocate resources according to redistributive criteria, i.e., allocate more to poorer jurisdictions than wealthier jurisdictions. Therefore, if grants-in-aid are more responsive to the national system than the state systems, wealth indicators should correlate negatively and more significantly with the distribution of grant monies than indicators representing state goals.

State governments are expected to maximize their governing influence by coalition bargaining. Bargaining between units is expected to produce grant legislation (and distribution procedures) that reward states corresponding roughly to their respective bargaining resources. It appears reasonable to suggest that a state's bargaining resources is partly and significantly a function of its bureaucratic competence (as well as other variables directly related to this variable).¹⁵ Thus, it is expected that states with more competent bureaucratic organizations will fair better in grant-bargaining than states with less competent organizations, and that if grants are more responsive to state systems than the national system, they will be better accounted for by the distribution of state bureaucratic competence than state wealth (the variable representing the national objective).

Summarizing, if grants are more a mechanism of national than state "aggrandizing" redistribution should be the central theme in their distribution. If the contrary is true, distribution should be decisively related to the distribution of state bargaining resources--specifically state bureaucratic competence.

RESEARCH TEST

Per capita grants-in-aid to state and local governments are partially examined for five fiscal years over a twelve year period.¹⁶ The independent variables, "state wealth" indicators and "state bureaucratic (professional) competence" indicators, are separately correlated with the dependent variable. If the former (state wealth indicators) correlate negatively and more significantly than the latter, it shall be concluded that grants-in-aid are achieving national goals and are therefore best conceptualized as Federal government output. However, if the

latter (bureaucratic competence indicators) correlates with the dependent variable positively and more significantly than the former, the thesis shall be considered advanced.

Findings

Heterogeneity of Independent Variables

Table 1 shows the relationship between the prime indicators of the independent variables. It is evident that the independent variable sets are heterogeneous (or independent) - a necessary condition for further analysis.¹⁷

TABLE 118

INDEPENDENCE OF PRIMARY INDEPENDENT VARIABLES, 1957, 1967

| | Per Capita ^a Federal Tax Burden(2) (in dollars) | | Per Capita Internal Revenue Collections (3) | |
|---|---|------|---|------|
| | 1957 | 1967 | 1957 | 1967 |
| (1) Number of state/ local employees per 10,000 | .09 | .16 | -.07 | -.06 |

^aSources: Variable (1) 1957, U.S. Bureau of the Census, Census of Government, 1967, Topical Studies, VI, No. 5: Historical Statistics on Governmental Finances and Employment (Washington, D.C.: Government Printing Office, 1969), pp. 122-131. Variable (1) 1967, U.S. Bureau of the Census, Census of Governments, 1967, Topical Studies, III, No. 2: Compendium of Public Employment (Washington, D.C.: Government Printing Office, 1969), pp. 28-32. Variable (2) 1957 and 1967, see the tables cited in the sources for the appropriate years. Tax Foundation, Inc., Facts and Figures on Government Finance 1964-65 (Englewood Cliffs, N.J.: Prentice-Hall, Inc.), p. 113. Variable (3) 1957 and 1967, U.S. Treasury Department, The Commission of Internal Revenue, Annual Report 1967 (Washington, D.C.: Government Printing Office, 1968), p. 109.

Table 2 reports the correlation for the five fiscal years.¹⁹

TABLE 2²⁰

PER CAPITA GRANTS-IN-AID
TO STATE/LOCAL GOVERNMENTS
BUREAUCRATIC COMPETENCE AND STATE WEALTH

| Independent Variables | Dependent Variables Per-Capita Grants-in-Aid | | | | |
|--|---|------|------|------|------|
| | 1955 | 1957 | 1959 | 1963 | 1967 |
| 1. Bureaucratic Competence | | | | | |
| a. Number of state/local employees per 10,000 pop | | .60 | | | .59 |
| b. Average salary, state/local bureaucrats, April, 1957, October, 1967 | | | | | .25 |
| c. Average salary, state bureaucrats excluding teachers, October, 1967 | | | | | .36 |
| 2. State Wealth | | | | | |
| a. Per capita federal tax burden | | -.23 | -.20 | -.12 | -.14 |
| b. Per capita internal revenue collections | -.28 | -.32 | -.31 | | -.37 |

$r = .28$ $p = .05$

Bureaucratic Competence

The strongest correlation with grants-in-aid is achieved by indicator 1a.²¹ For the years examined, this indicator accounts for more variance than any other indicator studied (in 1957, 36%; in 1967, 35%).

State Wealth Indicators

State wealth measures correlate negatively indicating a redistribution function. Furthermore, over time, one of

the two indicators (2b) appears to be increasing in explanatory power. Since this indicator from a statistical point of view is more significant, it appears reasonable to conclude that redistribution is becoming increasingly salient at a moderate rate in the disposition of grants-in-aid. I acknowledge, however, that this is a crude measure (and thus the error component is expected to be large). A more satisfactory measure should include, in addition to quantitative components, qualitative components (e.g. education, average level of experience of high level administrators). Such a measure is necessary for a rigorous, more comprehensive study of the thesis.

CONCLUSIONS

The analysis indicates "bureaucratic competence" is more significant than state wealth in singularly accounting for the variance in the per-capita distribution of grants-in-aid to state and local governments. This finding leads to the tentative conclusion²² that grants-in-aid are more responsive to/or a tool of state political systems than the national system. State goals appear to be primary; national goals, secondary.

The increasing importance of redistribution can be interpreted as reflecting a gradual "centralization" of grants-in-aid: that is a gradual displacement of Model Two (Peripheralized Federalism) by Model Three (Centralized Federalism).²³ This may be a consequence of a moderate shift (in the sixties) from formula-type grants to project-type grants. In the case of the former, Congress legislates allocation and cost-sharing criteria (formula); for the latter, distribution of funds is based upon application and project merit (restricted by a maximum limit that any one state can receive).²⁴ In the context of the thesis, it can be argued that formula grants (via Congress) served as the mechanism by which the states promoted their collective objectives. The shift from formula to project grants (in the above context) means a change of balance in policy determination between Congress and the executive in favor of the executive; ergo the increasing saliency of indicators representing the national objective.

Alternatively, the contrary can be argued, i.e. the apparent increasing saliency of redistribution reflects primarily state rather than national "aggrandizing". State governments in the sixties may be more aware of benefits accruing from some redistribution than they were in the fifties. Raising the economic level of the poorer states and/or standardizing service levels eliminates "unfair" competition in such areas as competition for new industries and may discourage, or at least decrease, the rate of migration of poor people from the poorer to richer states (which tends to overtax the resources of the richer states). Thus, some degree of redistribution serves the needs of the less-needy as well as needy

states and, therefore, may be interpreted as a policy objective of a strong coalition of states.

Thus, the thesis appears capable of explaining the apparent increase in redistribution in a way consistent with its major thrust, i.e., the conceptualization of grants as tools of a decentralized structure responding primarily to the needs of constituent units defined in the collective process of state to state bargaining.

Research Direction

In a broader context the study illustrates the utility of conceptualizing the United States as a "A Nation of States" (with the stress on the latter noun).²⁵ Thus, there appears to be sufficient reason to suggest that other types of Federal output can be fruitfully explored in this framework. Studies, with this focus, of Federal revenues and expenditures, and Federal domestic regulatory policy, for example, may produce new evidence of the utility of the conceptualization/thesis and new dimensions of knowledge of these policy areas.

FOOTNOTES

1

The goals of one of the two levels of government are "more successfully promoted" than that of the other when they better account for the per-capita distribution of grants-in-aid to State and Local governments.

2

See D.J. Elazar, The American Partnership, (Chicago: University of Chicago Press, 1962), *passim*;

W.B. Graves, American Intergovernmental Relations (New York: Charles Scribner's Sons, 1964), no. 3-30, 799-800, 818-855;

J.L. Sundquist, Making Federalism Work (Washington, D.C. Brookings Institution, 1969), pp. 1-32, 817-820;

R.A. Goldwin (ed.), A Nation of States (Chicago: Rand McNally and Company, 1963), *passim*, particularly the article by M. Grodzins;

W.A. Bennett, American Theories of Federalism (University, Alabama: University of Alabama Press, 1964), pp. 180-195.

W.R. Biker, Federalism - Origin Operation, Significance (Boston: Little, Brown and Company, 1964), *passim* particularly chapter one;

V. Earle (ed.), Federalism: Infinite Variety in Theory and Practice (Itasca, Illinois: F.E. Peacock Publishers, Inc., 1968), passim;

I.N. Gertzog, (ed.), Readings on State and Local Government (New Jersey: Prentice-Hall, Inc., 1970), passim, particularly the article by M. Grodzins;

D.J. Elazar (ed.), et al., Cooperation and Conflict (Itasca, Illinois: F.E. Peacock Publishers, Inc., 1970)

Advisory Commission on Intergovernmental Relations, Eleventh Annual Report of the Advisory Commission on Intergovernmental Relations (Washington, D.C.: U.S. Printing Office, 1970), pp. 1-15;

A. deGrazia, Political Organization (New York: The Free Press, 1962), pp. 232-257.

3

See footnote two, particularly D.J. Elazar and M. Grodzins.

4

W. Riker, op. cit., pp. 1-10.

5

Ibid.

6

The period investigated is from 1955 to 1967. Assuming the model is statistically and theoretically powerful, projection to the post 1967 period should be cautiously entertained. Many changes have occurred in intergovernmental relations (e.g. the proliferation of project grants) which should effect the balance reflected in Model Two.

See Advisory Commission on Intergovernmental Relations, Eleventh Annual Report--pp. 1-15;

S. Sacks and R. Harris, "The Determinants of State and Local Government Expenditures and Intergovernmental Flows of Funds", National Tax Journal, March, 1964, pp. 75-85.

7

See footnote one particularly.

E.L. Levine, "Federal Grants-in-Aid: Administration and Politics", in D.J. Elazar et. al., Cooperation and Conflict, pp. 177-181.

8

Ibid.

9

The methodology (including assumptions) is structurally similar to that of A. Downs. See A. Downs, An Economic Theory of Democracy (New York: Harper and Row, 1957), Part I, pp. 3-75.

10 Hays, Statistics, and H.M. Blalock, Jr., Causal Inferences in Non-Experimental Research (Chapel Hill: University of North Carolina Press, 1964), pp. 14-20, and 27-60.

11

A. Downs, Economic Theory, pp. ix, x, and 3-20.

12

Aggrandizing governing influence refers to the desire of governments to expand their respective determinate role in policy and annex new policy areas, particularly at the expense of other governments.

13

It is assumed that national systems distribute resources to sub-national systems because, in the long run, such policy expands the governing influence of the total system vis-a-vis other systems and may be necessary for nation building (national intergration). Thus, by facilitating expansion of the governing influence of sub-national structures, the national system increases its own influence.

14

The wealthier jurisdictions, by definition, have the fiscal capacity to generate expansion ("aggrandizement of governing influence"). Furthermore, since wealth is positively related to education, urbanization, industrialization, etc., their personnel-political and administrative are expected to be qualitatively superior to those of poorer jurisdictions;

See S. Sacks, and R. Harris, op. cit., pp. 75-85.

A.K. Smith Jr., "Socio-Economic Development and Political Democracy: A Causal Analysis", Midwest Journal of Political Science, February, 1969, pp. 95-125.

T. Dye, "Executive Power and Public Policy", Western Political Quarterly, December, 1969, pp. 928-938.

15

See W.J. Gore, "Decision-Making Research: Some Prospects and Limitations," in Readings in Public Administration, ed. by M.B. O'Donnell (Boston: Houghton Mifflin Company, 1968), pp. 90-101;

See F.S. Bourke, Democracy, Politics, and Public Policy, (Boston: Little Brown and Company, 1969), pp. 39-62;

H.H. Gerth and C.W. Mills, From Max Weber: Essays in Sociology (New York: Oxford University Press, 1958), pp. 155-170, 139-140.

16

The analysis is primarily a product of two studies with slightly different interests. The primary variables, however, are observed for at least two fiscal years.

17

H.M. Blalock, Jr., Causal Inferences, op. cit. pp. 88-90.

18

Sources: Variable (1) 1957, U.S. Bureau of the Census, Census of Government, 1967, Topical Studies, VI, No. 5; Historical Statistics on Governmental Finances and Employment (Washington, D.C.: Government Printing Office, 1969), pp. 122-131. Variable (1) 1967, U.S. Bureau of the Census, Census of Governments, 1967, Topical Studies, III, No. 2: Compendium of Public Employment (Washington, D.C.: Government Printing Office, 1969), pp. 28-32. Variable (2) 1957 and 1967, see the tables cited in the sources for the appropriate years. Tax Foundation, Inc., Facts and Figures on Government Finance 1964-65 (Englewood Cliffs, N.J.: Prentice-Hall, Inc.), p. 113. Variable (3) 1957 and 1967, U.S. Treasury Department, The Commission of Internal Revenue, Annual Report 1967 (Washington, D.C.: Government Printing Office, 1968), p. 109.

19

See footnote seventeen.

20

Sources: Variable 1a, footnote 11 (1-1957, 1967); Variable 1b and 1c footnote 11 (1-1967); Variable 2a and 2b, footnote 11 (2-1967, 3-1967); Dependent Variable for 1955, 1959, and 1963, appropriate years of: Tax Foundation Inc., Facts and Figures on Government Finance (New Jersey: Prentice Hall, Inc.,) for 1955, pp. 68-9, 1959, pp. 83-4, 1963, pp. 83-4; Dependent Variable 1967; U.S. Treasury Department, Annual Report of the Secretary of the Treasury on the State of the Finances: Fiscal Year Ended June 30, 1957 (Washington: Government Printing Office, 1958), pp. 586-7; Dependent Variable 1967: Social Security Bulletin, July 1968, p. 14.

21

W.J. Gore, "Decision-Making Research" p. 92. Gore provides a theoretical rationale for conceptualizing a number of state and local employees as a significant indicator of bureaucratic competence. (The larger the organization, the greater the number of function-specific uni-dimension decision-makers, the greater the competence skill.) I acknowledge, however, that this is a crude measure (and thus the error component is expected to be large). A more

satisfactory measure should include, in addition to quantitative components, qualitative components (e.g. education, average level of experience of high-level administrators). Such a measure is necessary for a rigorous and comprehensive study of the thesis.

22

The tentative nature of this and other conclusions should be stressed. These conclusions, however, justify the next logical step--a more rigorous analysis of concepts and data (cross-sectional and longitudinal).

23

See footnote four.

24

For discussion of the two types of grants, see: R.P. Nathan, "The Policy Setting: Analysis of Post-Vietnam Federal Aid Policy Alternatives," in U.S. Congress Joint Economic Committee, Revenue Sharing and Its Alternatives: What Future for Fiscal Federalism?; Vol. II. Range of Alternatives for Fiscal Federalism, 90th Congress, 1st Session (Washington, D.C.; U.S. Government Printing Office, 1967), pp. 666-84; Advisory Commission on Intergovernmental Relations, Eleventh Annual Report...op. cit. pp. 1-15.

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R.A. Goldwin, (ed.), op. cit. The phrase is the title of the book.