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*Reinventing  
American  
Federalism*

# From the Editors

*Reinventing*

*American*

*Federalism*

**T**he United States of America is a country of many governments. The federal government is of course the largest, but the governments of the fifty states and thousands of smaller units—counties, cities, towns and villages—are no less important. The drafters of the Constitution created this multilayered system of government. They made the national structure supreme and assigned it certain specific functions, such as defense, currency regulation and foreign relations; yet they wisely recognized the need for levels of government more directly in contact with the people, and so they left many other responsibilities in the hands of state and local jurisdictions.

Over the past 200 years, American federalism has undergone constant evolution. In this issue we examine today's new alignments and balances between the federal, state and local governments from a variety of perspectives.



As President Bill Clinton and Vice President Al Gore point out in the lead article of this journal, the necessity for reinvention of government is dictated by scarcer funding resources and a greater need for people to solve their own problems. Clinton and Gore explain how the old top-down governmental relationships are being replaced by partnerships that have produced greater efficiency and better results at the local level. Professor Ellis Katz of the Center for the Study of Federalism at Temple University explains the origins and development of American federalism and analyzes the forces that appear to be moving it in new directions. Governor Michael Leavitt of the state of Utah urges a rebalancing of the American Republic, asking his fellow governors to make more effective use of the powers and tools the Founding Fathers had assigned to the states within the federal system. In an interview, Alice Rivlin, the vice

chair of the Board of Governors of the U.S. Federal Reserve System, advocates returning many federal responsibilities to state and local jurisdictions. Finally, reinvention experts David Osborne and Peter Plastrik report on how management based on partnerships has brought the town of Hampton, Virginia back to life.

*Above, the Philadelphia State House, where the U.S. Constitution was signed in 1787.*

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# Forging New Partnerships

*by*

*Jim Fuller*

In an effort to make government work better and cost less, new partnerships between the federal, state and local governments are replacing the predominant role Washington has played in the recent past. In the following article, contributing editor Jim Fuller cites President Clinton and Vice President Gore's explanations for the realignment, and some encouraging results.

“**T**he era of big government is over, but the era of big challenges is not. People want smaller government, but they also want active and effective national leadership. They want government that provides them the means and opportunities to meet their responsibilities and solve their own problems.”

With these words President Bill Clinton, in his foreword to the Blair House Papers, proposed a new public management model for the federal government, one based on forging new partnerships with state and local governments.

The Blair House Papers, prepared in January 1997 by Vice President Gore and the National Performance Review staff, have emerged as a centerpiece of the new Clinton administration's effort to reinvent government and foster partnerships and community solutions to solve problems. The Blair House Papers were named after the historic red-brick building across the street from the White House where Clinton held the first Cabinet meeting of his new administration.

## **Making Government Work Better**

Vice President Gore continued the theme of reinvention and partnership in the introduction to the Blair House Papers, calling on government to treat the public the way top companies treat their customers—putting the customer first—and removing regulatory and legal barriers so communities can solve their own problems.

“In 1993, President Clinton asked me to figure out how to make government work better and cost less,” the vice president said. “We called it reinventing government. The need to reinvent was clear. Confidence in government—which is simply confidence in our own ability to solve problems by working together—had been plummeting for three decades. We either had to rebuild that faith or abandon the future to chaos.

“We had reason to hope we could succeed,” Gore continued. “Corporate America had reinvented itself to compete and win. The same ideas and some new wrinkles were starting to work at the state and local level. But it was going to be incredibly difficult—the largest turnaround ever—and management experts said it would take at least eight years.”

Not quite four years later, Gore can point to thousands of examples of “reinvention islands of excellence” in every government agency. And public confidence in government has rebounded by nearly nine percent since 1993, according to a recent Roper poll.

“Everyone in government knows big challenges remain,” Gore says in the introduction to the Blair House Papers. “It is time for faster, bolder action to expand our islands of excellence and reinvent entire

agencies—time to entirely reinvent every department of government.... Luckily, partners are ready to help. Businesses have proven effective partners in achieving a cleaner environment, worker safety, and other regulatory compliance goals. Communities can solve their own problems with a little help and opportunity from their federal partners. And when labor and management work as partners, everybody wins.”

## **Performance Partnerships**

As part of the initiative to reinvent government, the Clinton administration is reforming the federal grant process into a system of “performance partnerships” that respond to these smaller governmental units and their local needs. In fiscal year 1996 and 1997 budgets, President Clinton proposed performance partnerships that would consolidate over 200 existing programs in the areas of public health, rural development, education, housing, transportation, and the environment. Such partnerships signal a shift away from traditional federal grant programs by moving control and responsibility back to the people.

One example of creating partnerships at the local level concerns the Environmental Protection Agency (EPA), which got involved in the cleanup of a contaminated toxic site in Boulder, Colorado. After several parties were entrenched in litigation over ground water contamination, the EPA asked that everyone, including citizens, accept some responsibility for resolving the disputes and cleaning up the water. Within six months, all those involved had come up with a solution and a way to pay for

the cleanup locally, saving millions in federal dollars and saving the community from being immersed in an EPA Superfund cleanup program that would have taken more than a decade to complete.

Speaking at the second annual Reinvigoration Revolution Conference in Washington, D.C., April 7–9, 1997, Secretary of the Interior Bruce Babbitt explained the need for partnerships to continue into the 21st century, “not working as separate, independent agencies, but understanding that we all represent the same people, and that we can stretch our resources to get better results by working together, by sitting down and mapping out common goals.”

As an example, Babbitt cited partnerships that can streamline the regulatory process in dealing with a problem like water pollution.

“It’s easy for the EPA to issue permits to the local water treatment plant or local factory to stop discharges into a stream,” Babbitt said. “But increasingly we’re finding that the enemy in water pollution is us. Small farmers and residential development projects affect the entire landscape...and we’re finding that people at the local level can actually create a climate in which these laws can be made to work. [They] have the power to create a pool of resources and public support that will get results.”

Some of the most impressive examples of the way government is moving to partnership have occurred in the U.S. Department of Education.

Through a program called “Goals 2000,” the Education Department has established a set of challenging academic standards for students to achieve by the year 2000. Participating states create a plan to reach these goals, but instead of reporting

their progress to Washington, they report back to the people. For example, Maryland—one of eight states in the program—reports as much as a 52-percent leap in the number of schools whose students are doing well at various grade levels since joining the program. And 40 percent of all students statewide have met the state standards—a 25-percent gain over 1993.

## Renewing National Confidence

“We’ve done pretty well,” Clinton observed at the beginning of his second term in office. “The federal workforce is the smallest in thirty years and the deficit has been cut by 60 percent. But this smaller, cheaper government is accomplishing more than ever. We’ve created more than 11 million new jobs. The crime rate is down four years in a row. So is the teen birth rate....”

“But there is a great deal more to do,” Clinton continued. “We must give Americans the tools to make the most of their lives, to renew national confidence that we can solve our most difficult problems when we work together, and to advance America’s role as the world’s strongest force for peace, freedom, and prosperity.”

Today, more than 600 federal programs are administered by states and localities. There is consensus that the old top-down, centralized governing approach is not flexible enough to respond to rapidly changing environments around the United States. New partnerships between federal, state and local governments must provide greater flexibility to create a government that works for the people. Observes Clinton: “These are big jobs for a smaller government.”

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# American Federalism

## *Past, Present and Future*

*by*

*Ellis Katz*

Since its inception more than 200 years ago, American federalism has undergone tremendous change. Today, all governments—federal, state and local—play a greater role in the lives of their citizens. Expectations about what kind of services and rights people want from government have changed, and relations among the federal, state and local governments have become infinitely more complex. In this brief essay, Ellis Katz, professor of political science and a fellow of the Center for the Study of Federalism at Temple University, explores the origins and development of American federalism, its contemporary practice and problems, and the forces that seem to be moving it in new directions.

**W**hen the 13 North American colonies declared their independence from Great Britain on July 4, 1776, they recognized the need to coordinate their efforts in the war and to cooperate with each other generally. To these ends, they adopted the Articles of Confederation, a constitution which created a league of sovereign states which committed the states to cooperate with each other in military affairs, foreign policy and other important areas. The Articles were barely sufficient to hold the states together through the war against England and, at the successful conclusion of that war, fell apart completely as the states pursued their own interests rather than the national interest of the new United States.

## The Origin and Development of American Federalism

To remedy the defects of the Articles (or, in the words of the Constitution of 1787, “to create a more perfect union”), George Washington, Alexander Hamilton, James Madison, and other nationalist leaders called upon the states to send delegates to a constitutional convention to meet in the city of Philadelphia in May 1787. It was, of course, that convention that produced the Constitution of the United States.

The framers of the Constitution rejected both confederal and unitary models of government. Instead, they based the new American government on an entirely new theory: federalism. In a confederation, the member states make up the union. Sovereignty remains with the states and individuals are citizens of their respective states, not of the national government. In a unitary system, on the other hand, the national government is sovereign and the states, if they exist at all, are mere administrative arms of the central government. In the American federal system, the people retain their basic sovereignty and they delegate some powers to the national government and reserve other powers for the states. Individuals are citizens of both the general government and their respective states.

This brief history is important for two reasons. First, the American federal system is not simply a decentralized hierarchy. The states are not administrative units that exist only to implement policies made by some central government. The states are fully functioning constitutional polities in their own right, empowered by the American people to make a wide range of policies for their own citizens.

Second, the framers expected that the states would be the principal policy-makers in the federal system. The powers granted to the federal government are relatively few in number and deal mainly with foreign and military affairs and national economic issues, such as the free flow of commerce across state lines. Most domestic policy issues were left to the states to resolve in keeping with their own histories, needs and cultures.

The first 75 years of American development (1790–1865) were marked by constitutional and political conflicts about the nature of American federalism. Almost immediately George Washington, Alexander Hamilton, John Marshall and their Federalist colleagues argued for an expansive interpretation of federal authority, while Thomas Jefferson, James Madison, Spencer Roane and their partisan allies maintained that the American union was little more than a confederation in which power and sovereignty remained with the states. By the 1850s, the debate focused on whether slavery was a matter for national or state policy.

The American Civil War (1860–1865) did much to resolve these federalism questions. The northern victory and the subsequent adoption of the 13th, 14th and 15th amendments to the Constitution ended slavery, defined national citizenship, limited the power of the states in the areas of civil rights and liberties, and, generally, established the supremacy of the national Constitution and laws over the states. Federalism issues continued, of course, and during the first third of this century, the U.S. Supreme Court often cited federalism considerations to limit federal authority over the economy. Two

developments, however, led to the expansion of federal authority, and, according to some critics, brought about an imbalance in American federalism.

First, under the New Deal programs of President Franklin D. Roosevelt, the functions of the federal government expanded enormously. It was the New Deal that gave rise to Social Security, unemployment compensation, federal welfare programs, price stabilization programs in industry and agriculture, and collective bargaining for labor unions. Many of these programs, while funded by the federal government, were administered by the states, giving rise to the federal grant-in-aid system. The U.S. Supreme Court legitimated this expanded federal role, and since 1937 has pretty much allowed the national government to define the reach of its authority for itself.

Second, during the 1950s and 1960s, the national government came to be viewed as the principal promoter and defender of civil rights and liberties. In a series of very important decisions, the U.S. Supreme Court struck down state-supported racial segregation, state laws that discriminated against women, and state criminal proceedings that violated the due process of law provision of the 14th Amendment. Thus, people looked to the institutions of the national government (especially to the U.S. Supreme Court) to defend them against their own state governments.

These two developments required a reconceptualization of federalism. Until the New Deal, the prevailing concept of federalism was “dual federalism,” a system in which the national government and the states have totally separate sets of responsibilities. Thus foreign affairs and

national defense were the business of the federal government alone, while education and family law were matters for the states exclusively. The New Deal broke this artificial distinction and gave rise to the notion of “cooperative federalism,” a system by which the national and state governments may cooperate with each other to deal with a wide range of social and economic problems.

Cooperative federalism characterized American intergovernmental relations through the 1950s and into the 1960s. The principal tool of cooperative federalism was the grant-in-aid, a system by which the federal government uses its greater financial resources to give money to the states to pursue mutually agreed-upon goals. The building of the interstate highway system in the United States during the 1950s and 1960s is usually cited as an example of cooperative federalism working at its best. The federal government provided up to 90 percent of the cost of highway construction, gave technical assistance to the states in building the highways, and, generally, set standards for the new roads. The highways were actually built and maintained by the states.

Three points about this sort of cooperative federalism need to be made clear. First, the federal government and the states agreed on the goals; both wanted the roads built. Second, only the federal government and the states were involved in the programs. Cities and other units of local government were not full partners in the cooperative federalism of the 1950s and early 1960s. Third, the grant-in-aid programs affected only a small number of policy areas; most of the funding went for highways, airport construction, and hous-

ing and urban development. As late as 1963, the total funding for all federal grants-in-aid was only about \$9 thousand-million.

But this sort of cooperative federalism ended by the mid-1960s. Under President Lyndon B. Johnson's Great Society, the federal government sometimes enacted grant-in-aid programs in which the states had little interest, or to which they were actively opposed. Second, federal funds were now often given directly to units of local government—counties, cities, small towns, and school and other special districts. Third, while previous grant-in-aid programs were limited to a few areas on which the federal government and the states agreed, the Great Society reached almost every policy area—education, police and fire protection, historic preservation, public libraries, infant health care, urban renewal, public parks and recreation, sewage and water systems and public transit.

The consequence of all this was two-fold. First, the number of players in the intergovernmental system increased tremendously, from 51 (the states and the federal government) to the 80,000 or so units of local government that existed at the time. Second, federal grants-in-aid, which affected only a few policy areas previously, now affected almost all areas of public life. This led to a number of managerial and political problems (coordination, accountability, priorities, micro-management, etc.) that political scientist David Walker has summed up with the phrase “the hyperintergovernmentalization” of American public policy.

President Richard M. Nixon tried to fix all of this by the consolidation of small

categorical grant programs into larger bloc grant programs in which the states would have more discretion. By and large, however, his efforts failed. By the time he left office, there were more grant programs (over 600) than when he started. The presidency of Ronald Reagan seemed to promise a solution. While Reagan supported many of Nixon's proposed solutions, his real impact was on federal spending, which has caused Americans to re-think not only federalism, but the role of government itself.

Wanting a smaller role for government, especially for the federal government, Reagan successfully fought for increased defense spending, tax cuts and increased (or at least maintained) levels of Social Security payments. The result was that there was less and less money available for federal domestic grant-in-aid programs. While federal grant-in-aid spending crept upwards during the Bush administration, and has remained fairly stable during the Clinton administration (over \$225 thousand-million in 1996), Reagan's strategy, by and large, has worked—although it has created a new set of problems for state and local government.

### **American Federalism Today and Tomorrow**

American federalism was never merely a set of static institutional arrangements, frozen in time by the U.S. Constitution. Rather, American federalism is a dynamic, multi-dimensional process that has economic, administrative, and political aspects as well as constitutional ones. This is perhaps more true today than it ever has been. Let me suggest six crucial

issues that Americans face today:

**Unfunded Mandates.** With the shortage of federal money to support federal priorities, Congress, using its constitutional authority to “regulate commerce among the states,” imposed direct regulations upon the states. Since these regulations require the states to act but do not provide any funding to finance these activities, they are called “unfunded mandates.” Many of these regulations deal with environmental protection, historic preservation and the protection of individual rights, but they all carry with them substantial costs to the states. The states rebelled against these federal requirements and, in response, Congress enacted the Unfunded Mandates Act of 1995, which (with certain threshold requirements) prohibits the federal government from placing new requirements on state and local government without providing the necessary funding. It remains to be seen whether this law will effectively limit the range of federal activity, especially given how broadly the U.S. Supreme Court has interpreted Congress’ authority.

**Constitutional Issues.** Since 1937, the U.S. Supreme Court has interpreted Congress’ power to spend money for the general welfare and its authority to regulate commerce among the states so broadly that the national government can reach almost any economic, social, or even cultural activity it wishes. Thus, national laws reach such traditionally local matters as crime, fire protection, land use, education, and even marriage and divorce. In its 1995 decision in *United States v. Lopez*, however, the Court unexpectedly held that the national government had exceeded its constitutional authority by enacting a law

prohibiting the possession of hand guns near public school buildings. The Court held that the federal government had not demonstrated any connection between the possession of guns near school buildings and Congress’ power to regulate interstate commerce. It was the first time in 60 years that the Court had seriously questioned a congressional exercise of its commerce power. At this time, we do not know whether the Court’s *Lopez* decision will simply be the exception to an otherwise unrestrained expansion of the constitutional authority of the federal government, or the beginning of a new jurisprudence which seeks to restore limits on federal authority.

**Public Finance.** If more policymaking and implementation responsibility is left to state and local governments, then it is likely that we will encounter a mismatch between program responsibility and fiscal capacity. During the late 1960s and early 1970s, cities received very substantial federal funding to implement the Great Society social programs. While federal funding has slowed, and in some cases even stopped, citizen demand for programs continues and even grows. Cities and other units of local government still provide such traditional services as public education, trash disposal, crime and fire protection, and street repair and maintenance. In addition, they must satisfy largely unfunded federal and state mandates in such areas as environmental protection, race and gender-equal opportunity programs, education of the handicapped, and land-use planning. Increasingly, the demand for local services grows while the capacity to support them diminishes. This dilemma has forced local governments to become much more innovative

in how such services are provided.

**Reinventing Government.** Caught in this dilemma of rising expectations and decreasing financial capacity, local governments have been forced to “reinvent” the way they deliver and finance services. Reinvention takes many forms. Cities across the country have experimented with greater administrative decentralization, entering into markets and competing with private service providers, redefining clients as customers and attempting to hold government agencies accountable to them. Perhaps most interesting of all, privatization has taken many forms, ranging from contracting with private firms to providing meal service at a public school, to turning over waste disposal or even the operation of an entire prison to a private agency. In addition, cities have been forced to become less dependent on both federal aid and local property taxes and have turned to charging realistic fees for services. Creative financing and ways of delivering services appear to result in substantial cost savings with no decline in quality. It is early in the process, however, and we will need to wait to fully evaluate the full impact of “reinventing government” on public life.

**International Trade.** There is also a new international dimension to American federalism. Agreements such as GATT and NAFTA will have a profound impact upon federalism. Most observers suggest that the authority of the states will be further eroded as state policies on such matters as economic development, environmental protection and professional licensing will be subject to the terms of these international agreements, as well as to the strictures of the U.S. Constitution.

These observers are right, but there is another aspect to these international agreements that might enhance state authority. Under NAFTA, for example, the American states are guaranteed at least a consultative role in implementing the agreement. It will be interesting to see how the states that make up the American, Canadian and Mexican federations will be affected by this emerging “federation of federations.”

**The States as Laboratories.** Many years ago, U.S. Supreme Court Justice Louis D. Brandeis wrote that the states were “social laboratories” in which we could experiment with a variety of solutions to social and economic problems without putting the whole nation at risk. This view of federalism is more true today than ever before. If the United States is to develop innovative and effective solutions to such problems as crime, education, welfare and urban blight, they will be forged by state governments working hand-in-hand with their local communities.

How effectively we Americans meet these challenges and use these opportunities will shape the future of American federalism.

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# Rebalancing the American Republic

*by*

*Michael Leavitt*

Across the United States, public officials seek relief from burdensome regulations imposed on them by the federal government. In the following article, Michael Leavitt, governor of the state of Utah, offers a plan for retaining a strong federal government, but one that focuses its supremacy on only a few issues, and leaves the states the potential to check the growth of the government's power:

**I**t is my honor to serve as the governor of Utah, a proud and prosperous state which has just celebrated its state centennial. Governors, however, are not elected just to govern states. We have an historic role to play as stewards, entrusted by the founders of our country to be of sufficient voice to balance the interests of local government against the nation's federal or national government.

Over the past 50 years, the federal government in Washington—the president, Supreme Court, and Congress—whether guided by Democratic or Republican parties—has so expanded its ability to influence local government that the American system of three-tier government today is in total disarray.

Volumes have already been written about why this has happened. There is no simple explanation and plenty of blame to go around. But the fact remains, I strongly believe, that the system of checks and balances, so carefully constructed by the



Founding Fathers, needs rebalancing.

In the context of history, the debate over American federalism is serious and important. I would like to state clearly three things in which I believe. First, without a strong federal government, the United States of America would fail. We are and must remain “one nation under God, indivisible, with liberty and justice for all.” Second, it is my view that the strength of our federal government is founded on its supremacy. Lastly, I believe our nation’s government has been weakened by a well-meaning expansion beyond its purpose and logical application.

### **The Need for a Strong, but Limited, National Government**

Following their victory in the Revolutionary War, the colonies became independent states, loosely joined together under a document called the Articles of Confeder-

ation. And, while their hopes and aspirations were high, frankly, it was a mess. The national government was just too weak. The country staggered under a \$60 million war debt. With no national tax system, there was no means of repayment. Three different states were claiming part of Vermont. There was no national court system to resolve disputes. Trade barriers and a fragmented monetary system strangled the economy. To foreign powers, this was no nation, just a group of rebellious arbiters not to be taken seriously. Something had to be done.

In May 1787, a group of state legislators and citizens gathered in Philadelphia, Pennsylvania, for a constitutional convention, to craft some type of workable system. With George Washington as chairman, 55 delegates met for four months behind closed doors, drafting what would become the U.S. Constitution.

From that meeting, two major issues

*Above, the signing of the U.S. Constitution, 1787.*

emerged: first, balancing the interests of both big states and small states. That was resolved by the “Great Compromise,” which created two houses of Congress, one apportioned by population, the other by state.

The second issue was more complex, but absolutely fundamental to the very existence of the republic. What would be the relationship between the states and the national government? Would this new government be dominated by states or would a centralized national government be superior, dictating to the states?

Most of the delegates knew the failings of a government dominated by the states. They had seen firsthand what a misfire the Articles of Confederation had been. But having just won their freedom in the not-so-distant past, the delegates were wary of turning the regulation of their lives, fortunes and families over to a centralized national government.

This state-vs.-national issue almost brought the gathering to the brink of collapse. But at the last moment, a brilliant solution was produced. The delegates used the same common-sense approach my mother taught me when I was a child.

### **Mother’s Rules**

I grew up in a family of six boys. It was not unusual for a couple of us to fight over the last piece of dessert. So, mother would say, “Mike, you cut the pie and Dan (my brother), you choose first.” I would cut the pie with scalpel-like precision, knowing full well that if either of the pieces was bigger, my brother would take it. We called that method “mother’s rules.” It was elegant in its simplicity, brutally fair and absolutely effective.

The delegates of the constitutional

convention applied their own version of mother’s rules. They created two governments. First, the national government, with a list of explicit, delegated responsibilities—things like national defense, foreign policy, interstate commerce, and coining of money. In those limited areas, the national government would be supreme. All powers not given to the national government—the overwhelming majority—would remain with the states and the people.

If either the national or state governments began to encroach on one another, or failed to perform, the Founding Fathers believed the other would immediately react and the “people would be protected.” In other words, they expected the careful balance they had created would be self-enforcing.

Although there were a lot of skeptics, their brilliant constitutional craftsmanship has endured more than 200 years. In that time, the United States has prospered. It has survived a civil war, conflicts with foreign powers, and two centuries of dramatic change. I believe, in proper balance, it is the ideal form of government for the information age.

### **James Madison on Federalism**

Some time ago, I was inside the New Jersey governor’s residence where I admired a small table. It was obviously an antique and well-crafted. “James Madison made it,” said the manager of the house. As I touched the wood, I felt a deep respect for the man Americans call the father of the Constitution. What insights Mr. Madison might offer about the United States today, I thought, if he could visit with me and other state leaders

for a few hours. Undoubtedly, he would have a lot of questions for us, the stewards of the Founding Fathers' legacy.

Madison's first question likely would be, "Are the checks and balances between the legislative, executive and judicial branches working?" In answer, legislators would complain about the executive, and executives about legislators, and we would all grumble about the courts. That would be all the answer Madison would need. The plan is working.

"What about big states and small states?" Madison would say next.

"This is working, too," would be our reply.

Then would come Madison's tough question: "We worked hard to balance the power of states and the national government. What has happened since we left?" A long awkward silence would ensue, and then we would answer, "We have good news and bad news. The good news is we still have both state and national governments. The bad news is you are not going to recognize them."

How would Madison react to the volumes of federal laws prescribing in great detail how every state, city, town, village and hamlet conducts the most uniquely local tasks?

Madison likely would not be at all happy about a federal government grown so large and inefficient. His greatest disappointment, however, would be with state leaders and lawmakers. In response, he might say, "Stand up states! You have given up your place at the constitutional table. You have left the people unprotected, not from tyrants or subversives, but

from the natural consequences of unchecked power and political force without resistance."

By this time, state policymakers might all be feeling a bit defensive. In their defense, one might say, "We do stand up. We meet together. We give speeches and write letters to our congressional delegation. We go to Congress and testify, and lobby."

By now, Mr. Madison would be aghast. "What do you mean, 'We lobby?'" he would ask. "Are states now nothing more than lobbyists, special interest groups, supplicants?" he would add. "We did not create a master-servant relationship. States are full constitutional partners in this republic. We left you with tools to ensure your proper place in a balanced system."

Such a conversation with Madison could go on and on. The point is that state leaders have violated the law of political gravity by allowing federal power to be inadequately challenged. Power unchecked is power abused. Political force without competition unavoidably becomes a force uncontrolled.

Along with societal trends, state leaders bear a substantial blame for losing control of the tools the Founding Fathers provided to implement the state role in the federal system. When states did not respond to economic, environmental and human equality concerns, citizens looked to the national government for leadership. War, economic depression, and an industrial age society of top-down management encouraged centralized structures.



*Above, President James Madison.*

## Looking at the Future

But today is an entirely new era in American history, when states are fulfilling their responsibilities, when small flexible, networked units—whether government or business—are outperforming their centralized, bureaucratic counterparts. States are offering dynamic leadership, fiscal responsibility, and innovative policy solutions in every area of government.

Why, then, in a country as big and diverse as the United States, with as many good leaders as there are in every community, with so many resources and pluralistic values, do state leaders allow themselves to be micromanaged from Washington? Such dispersed power, which makes for effective governing, at the same time makes it difficult to compete with the concentrated power of Washington. This is the challenge local leaders must meet in the ensuing years of rapid economic change in America.

In order to balance the American government as the Founding Fathers so wisely intended, leaders at the state level must ensure that they are heard on issues of vital concern: agriculture, energy, environment, health and commerce, for example. State leaders must use every legal means available to them to make certain their proposals are heard and not lost in the overgrown maze of Washington's federal bureaucracy, the courts, and the forums of public opinion.

State leaders also need to use their constitutional tools to challenge what they believe is bad law or improper regulation. In so doing, the states will not weaken the national government, but hold it to a standard of responsible behavior and account-

ability. They will restore the healthy competition among America's governing bodies that promotes efficient and responsive government for and by the people.

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# Dividing Federal from State and Local Responsibilities

*An Interview*

*with*

*Alice M. Rivlin*

*Alice M. Rivlin was appointed vice chair of the Board of Governors of the U.S. Federal Reserve System in June 1996. From 1992 to 1996, Rivlin served as deputy director, then director of the White House Office of Management and Budget. She has held other Cabinet positions and was director of the Congressional Budget Office from 1975 to 1983. In 1992, she published *Reviving the American Dream*, in which she called for returning to state and local governments many responsibilities and tasks that had been assumed by the federal government during the previous 60 years. Contributing editor Warner Rose asked Rivlin to discuss some of the ideas presented in her book.*

Question. Since the 1930s, the federal government has taken on many responsibilities and tasks previously left to states and localities. In your book *Reviving the American Dream*, you say that it is time to begin returning these responsibilities; can you explain this proposal?



*Alice M. Rivlin*

*Rivlin.* The basic thesis of the book is that we need a clearer division of labor between the central government and the states and localities, in part to clarify in citizens' minds where the responsibility lies and which level of government they should hold accountable. That's gotten very confused in the public mind because lots of powers have been moving to Washington.

So it would help the functioning of democracy to make it clearer where the responsibility lies. Then, the question is: What kinds of things must be done by the federal government and what kinds of things could better be done locally or at the state level? Certain things have to be done at the federal level to be effective. Obviously, anything that involves the whole nation with the rest of the world, such as defense and foreign affairs, must be done by the federal government, just as things that move clearly across state lines, like the problems of air pollution, for instance, cannot be controlled by a single state.

But there are public functions that probably work best when citizens can really see what's going on and adapt the service to their particular needs in the community. An example is education. There is the perception that schools don't work well unless local citizens are really involved in the school itself as parents, as community leaders, working with the teachers and with the whole community to have a good school. And there isn't one blueprint that works everywhere.

I certainly wouldn't argue that there is no role for the federal government in education, especially higher education. But what should that role be? The national government can participate by setting standards or in cheerleading the community effort, but the responsibility has to be clearly at the community level. People can't say, "Oh, well, that's somebody else's problem. They will fix that in Washington. We should ask them to write a better law." I don't perceive that that can really change what happens in local communities and their schools.

There is no obvious bright line here, but services that need to be adapted to what the community needs, and in which community participation and accountability of the managers to the local community is important, seem to me to be candidates for handling at the local or the state level.

**Q.** What are some functions where the federal government has successfully moved to turn more responsibility over to the states?

**A.** Let's take housing, for instance. We perceived in the post-World War II period that there was a serious problem with the quality of housing for low-income people. The federal government took on the task

of building public housing for low-income people on a fairly uniform basis across the country, in big blocks of public housing. I think it's now perceived that this was not a very good idea.

It didn't work, and it didn't work in part because it was imposed from outside the community and not integrated into the community itself. Now, it's not that you don't need some outside resources in poor communities. You do. But the more hopeful perception, I think, is that communities can come together and improve their neighborhoods and put less obtrusive housing for lower-income people scattered in mixed-income areas so that you don't segregate low-income people off to one side in big federal housing projects. I think that's a very clear example of where the national government tried to do something that didn't work very well.

Policing is probably another example. Americans are very worried about crime, particularly in the inner cities, and it's been much publicized around the world. The most successful efforts in fighting crime have been so-called "community policing," where the local law enforcement authorities have gotten back into the neighborhoods very intensively, out of squad cars and on foot, and have been living and working in local neighborhoods.

**Q.**What about federal regulations and mandates, where the federal government requires that local governments do certain things, which sometimes are quite costly and intrusive. Supporters say the mandates are needed, or state and local communities might decide to allow inequities to fester. How should this issue be approached?

**A.** In a large country with a very diverse population like the United States, we have

to recognize that there is always a tension between desires of local citizens for autonomy and the sense that there are some national values that have to be observed everywhere.

We've made a lot of progress in defining those, I think, over the last few decades. One has been racial and gender equality enforced at the national level. I'm not proposing that we throw out the Constitution or go back to a situation where we didn't have citizens' rights that were uniform around the country. I'm talking about how to get services that work and that are responsive to what local citizens want. Can those all be controlled from the national level, or would they work better if you divided the list and had some things that were clearly the responsibility of the local group? If people at the local level felt they weren't getting the services that they needed or that their rights were being trampled upon, they have democracy there, too, and the authority to vote out of office those who aren't providing the services.

**Q.**What about the inequality of resources among the different states and local governments?

**A.** There is the problem of unequal resources. I think one has to deal with that in any country, but certainly if one is proposing some reduction of central responsibility, you have to deal with how resources can be distributed more equally across jurisdictions.

The proposal that I have made is a variation of what we've called "revenue sharing." We would have some taxes which are common across states, in the sense of common rates, but are then shared among the jurisdictions on a redistributive basis, so that poorer jurisdictions get relatively more. A sales tax of some sort would be a

natural for a uniform levy across the states. Almost all states do have sales taxes, but they are at different rates, and that means there is some competition at the border. The lower-tax state tends to pull potential buyers across the border.

Q. Are systems like that workable?

A. Sure. The Germans do it. They have a national value-added tax which is shared by the states on a redistributed basis. And we, of course, have redistributive grants from the central government out of federal taxes.

Q. But don't states naturally compete with each other?

A. Well, I think that competition among states is not a bad thing, but what one would like to see is for states to compete with each other for the excellence of their schools or the excellence of their roads rather than the low level of their taxes.

Q. What happens when local governments simply fail, such as by going bankrupt?

A. In the United States, local governments are the creatures of their states, so the states really have to deal with that. Of course, if it's a big city—like New York City—it becomes a national problem.

Q. What happens when the federal government isn't performing its function? For example, California sued the federal government over certain costs caused by illegal immigration, arguing that the federal government was not enforcing national immigration laws.

A. That's an issue to be resolved in the courts. Certainly, national policies such as changes in the immigration laws affect

states differentially, depending on where they are. Because there are so many recent immigrants in coastal states, particularly in Florida and California, the impact of any change in immigration policy or in other policies will hit those states the most heavily.

Q. In your book, you wrote that among the tasks the federal government should handle are the old-age pension program, Social Security, and health care. You advocated keeping health care costs down and making health care universally available. Is this still your view?

A. Old-age pensions are a very good example of something that functions very well at the national level, and almost no one would think about devolving them to the states. It wouldn't be efficient, and it would be very confusing since we are a fairly mobile society and people work in different parts of the country.

Health care is more difficult. Unlike many other countries, we have never had a national health-insurance system here. When I wrote the book, we were having a serious national debate about whether we should have one. Since then, the debate has swung the other way, more towards devolving the responsibility for health care—particularly health of low-income families—to the states.

Q. Should governments that are currently in transition from authoritarian to democratic systems adopt federalism?

A. I think federalism is a very difficult system, in the sense that there is always a tension between the center and the constituent states. Power tends to move back and forth. It is my perception that we got off course not necessarily because we've

put too much power in the federal government, but that we did it in a way that makes it very unclear to citizens how they could improve the services that they needed, in that the responsibility was so divided between three layers of government—local, state and federal.

**Q.**What is the status of the movement toward giving the states and local governments a bigger share of the responsibility?

**A.** I think the big dilemma now is that most of the functions that are very clearly national functions, such as defense and foreign affairs—but also the control of the macro economy—are going very well in the United States right now. We have a prosperous economy, we have high employment, we are not threatened as a nation by any outside power. So people are not terribly worried about those things.

What people are worried about is what goes on in their local neighborhood. They are worried about crime; they are worried about education; they are worried about housing; and it's very hard for the federal government to figure out how to respond to those concerns.

On the one hand, people want to feel that their national leaders are concerned about what's important to them. But aside from expressing concern, it is not very clear what the national leaders can do to help that really makes a difference, because most of those things really have to be solved at the community level.

So I think we have a very serious dilemma now for national politicians and for communities. How do we energize that community effort that needs to come forward without the appearance that the federal government is preempting it or

taking it over or imposing a set of rules that don't make sense in that community? That's the dilemma.

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# Reinventing City Management

## *A Dying Town Returns to Life*

by  
*David Osborne*  
and  
*Peter Plastrik*

The realignment of power and funding between the federal, state and local governments has often been accompanied by a new emphasis on performance, autonomy, accountability and change. In the following article, David Osborne and Peter Plastrik, co-authors of the new book *Banishing Bureaucracy: The Five Strategies for Reinventing Government*, tell how a dying Virginia city brought itself back to life.

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**C**ity employees in Hampton, Virginia, didn't always do their jobs last year.

Instead of tending to her desk work as assistant city manager, Mary Bunting dug ditches with a city sewer crew.

The heavy construction team in the Public Works Department spent weeks developing a new city park for another agency.

Donald Gurley, the chief housing inspector, put in time to organize an exhibition about city services for the Neighborhood College, the city's training program for residents.

Kevin Gallagher, who runs the city's recycling programs, helped street crews clear away snow and ice.

Most of the city's 1,300 employees participated in one or more of its 115 task forces, advisory groups, self-directed teams, committees and councils—doing work that was not their job.

Why did Hampton's employees behave in these ways? In part it was because Bob O'Neill, the city manager, wanted his assistants to know more about how various agencies really worked. Bunting says the field work changed her assumptions about city sewer employees. They were much more skilled and flexible about taking on new responsibilities than she had expected. The job rotation experience also helped prepare her to run the agency temporarily when Ed Panzer, the public works director, retires.

Motivation was different for the heavy construction team. Under Ed Panzer's stewardship, they took on the park development project when the parks director asked for help. Panzer knew the park was a community priority.

Donald Gurley ran the exhibit for the Neighborhood College because, as he puts it, "I opened my big mouth." Two years earlier, he had attended a Neighborhood College session in which department heads made speeches to attendees. "It didn't keep their attention," Gurley says. "I suggested we do something like a career day, letting people rotate around to work stations for each department." People seemed to like the idea. Gurley volunteered to make it happen.

Kevin Gallagher turned up during snowstorms to help clear the streets for the simple reason that it needed to be done. "My job description is recycling manager, but my duty is customer service for the citizens of Hampton," he says. Gallagher enjoys working on teams because it connects him to other employees. "It lets me know who's who in the organization. I invite people into my world, and I dabble in theirs."

Hundreds of employees seized the chance to work elsewhere within the city. The informal networking and connecting with people "means we're more than just organization charts and boxes," says Tharon Greene, director of human resources. "A lot of us feel that by working this way we have a voice in where the organization is going."

In short, an extraordinary number of Hampton employees collaborated avidly with one another and routinely went the extra mile for citizens because they wanted to.

Hampton employees weren't always so flexible. City government used to be a standard issue bureaucracy: The city manager was the boss. Assistant city managers told department heads what to do. The department heads protected their turf, hoarding decisions and information. They commanded middle managers and supervisors, who controlled the day-to-day work of employees.

Managers and employees focused on complying with detailed operational procedures. Communications followed the chain of command: up, over and down. Most people stayed in their institutional boxes and worried about pleasing their bosses. They waited for orders or permission to act. The organization prized loyalty, stability, certainty and control.

Things began to change in 1984, when the mayor and council reviewed the city's condition. Its population was stagnant at 130,000. Taxes were among Virginia's highest. Home values and per-capita income were the lowest in the region. The budget was strained by debt repayments. The city was losing business to nearby communities.



“The statistics scared us,” says Mayor James Eason. Hampton was dying in slow motion.

When this realization sunk in, the politicians developed an aggressive economic development agenda, including the acquisition and development of land, improvements in the city’s physical appearance and tax cuts. To implement it, they needed a city government that was more responsive to the community’s needs, innovative, flexible and action-oriented.

When the city manager retired, Eason and the council went looking for a successor who would change things. They found someone right in town. Bob O’Neill knew the bureaucracy from the inside. A dozen years earlier, he had begun working for the city as a young intern and risen quickly to the post of assistant city manager. But he was also an outsider: In 1979,

he had left government to work as a business consultant.

Although many people in city government knew O’Neill, they weren’t sure what to expect from him. The council wrote him a performance contract that spelled out specific goals for city government. It emphasized what Eason calls “the Noah Principle” of management: “No more prizes for predicting rain; only prizes for building the ark.”

O’Neill didn’t have a blueprint for the ark he was supposed to build. The only grand plan he had was a belief that city government had to anticipate and adapt to future changes. “The issue is whether one can be excellent over time, not whether you can do it one time,” he says.

To make the organization more adaptable, O’Neill would have to find the levers that would fundamentally change city government’s bureaucratic behaviors

and instincts.

O'Neill began with what we call the "control" strategy. He told his assistant city managers to stop micro-managing their departments and to work instead on long-term strategic issues, such as the city's relationship with the local schools. He gave directors full control over their agencies.

Then O'Neill created a handful of interdepartmental task forces to focus on major common functions, such as physical infrastructure, public safety and citizen services. He told his directors to build cooperative relationships with those who could support their department's mission. Department heads decided who should participate in the groups and chaired them. The task forces had the power to allocate resources across departmental lines.

For a while, employees weren't sure what to do in the task forces. When O'Neill told department heads that they could structure the task forces any way they wanted, they hesitated. "They said, 'What's the answer? Tell us what you REALLY want,'" O'Neill recalls. His answer was to assign Assistant City Manager Mike Monteith to help the new groups but not to tell them what to do.

Eventually, the task forces evolved into problem-solving groups. "Someone would say, 'I've got a problem,' and the group dealt with it," O'Neill says.

The change in atmosphere was noticeable. When Walt Credle joined city government as social services director in 1990, he found that the task forces had fostered a great deal of work across departmental lines and created an environment that was like nothing he had seen before.

"There's no sense of competition, of hidden agendas, of politics," he says.

For Don Gurley, the change in control was inspiring. "Information was filtering down to my section," he says. "They wanted my input. That wasn't done before. I was becoming more involved with the process because I was being consulted on different things."

The city government also began pushing control out into the community. When city officials became worried about the number of Hampton youths who were not succeeding in school, they asked the community what should be done. The answers surprised them. "We ended up with a conversation about how the whole community was part of raising a child," says Monteith. "It was all about the importance of neighborhoods and family." The city organized a community-wide coalition of parents, businesses, community groups, youth advocates and teenagers. More than 5,000 people helped develop recommendations that became part of the city's strategic plan.

Again, when city leaders worried about the health of Hampton's neighborhoods, they shared control of the city's planning process with neighborhood groups. The planning agency also required developers to meet with neighborhood groups before they requested zoning changes and use permits. Then the city created a Department of Neighborhood Services, as recommended by the community coalition, to meet the unique needs of each neighborhood. It provided small grants for neighborhood development, launched an institute to train neighborhood leaders, helped develop neighborhood groups, linked neighborhoods to each other so they could exchange services, and

leaned on other city agencies to support neighborhoods.

O'Neill also worked with the city council to set clear goals. This is what we call the "core" strategy. He put department heads on performance contracts that spelled out the results they were expected to produce, then tied their bonuses to their achievements, using the "consequences" strategy.

These efforts began to change the culture. But O'Neill, Mayor Eason and the city council decided that employees also needed what the mayor calls "a compelling vision of a desired state of affairs." Since Eason deems vision "the link between dream and action," he wanted Hampton's elected officials, city managers and public employees to share the same mental picture of the organization's purpose.

O'Neill, the council and hundreds of city employees worked together to develop vision and mission statements that described the purpose and role of city government. The final vision statement pledged that Hampton would become "the most livable city in Virginia." The new mission statement said the city would "bring together the resources of businesses, neighborhoods, community groups and government" in order to realize that vision. The mission embodied the council's view that government should become a broker of the community's resources, not just a provider of services and regulations. The council embraced both statements, and O'Neill used them to develop measurable objectives and action plans for the departments.

"The most livable city in Virginia"—everybody knows those words," says Kevin Gallagher. They were hard to

miss when he started his first city job. Not only were the words plastered in all city offices, they were "even on our paycheck stubs."

The mission and vision statements were the opening shots in O'Neill's application of the "culture" strategy. The statements began to reshape employees' thinking about how to get their jobs done. For example, the city was under pressure to create community centers in several neighborhoods. But instead of building and operating new centers (the old service role), the city brokered two centers into existence. In one case, officials enticed the YMCA to establish a branch in the wing of a closed high school. The YMCA rehabilitated two gyms and the outside athletic fields, then began raising money to build an extension with an indoor swimming pool. In a second neighborhood, the city renovated a facility, then turned it over to the neighborhood to operate.

The overhauls throughout city government created both anxiety and enthusiasm among employees. Many were unsettled by the new emphasis on performance, autonomy, accountability and change. "For a long time there would be lines of people outside my door who wanted to come in and say, 'Is it OK if we do this?'" recalls Human Resources Director Tharon Greene. Others, including a few top managers, couldn't survive in the new environment.

Most employees liked the changes, though. A majority, O'Neill reports, feel like they have been freed of constraints and can finally do their jobs the way they've always dreamed of doing them.

Nonetheless, as O'Neill's efforts took hold, employees raised all kinds of issues. They were, in effect, testing whether

the city was going to be consistent about building a new culture. Some complained, for instance, that there was no way of recognizing people who did extraordinary work over time. The city reacted by creating a program that allowed each department to develop awards for employee innovations and productivity improvements. The agencies shared 10 percent of annual savings with employees and provided awards such as office equipment, dinners and premium parking spaces.

Employees also complained that their compensation did not reward them for customer service. That's when O'Neill instituted an annual bonus based on citizen satisfaction surveys—a version of the “customer” strategy.

Each challenge employees threw at him O'Neill saw as an opportunity to reinforce the culture he was trying to develop. “Once you pass these tests enough times and people see things happening differently, they build a commitment to the new culture. The way they think about things and the way they behave changes dramatically.”

By the mid-1990s, Hampton was a big success story. The city's financial indicators remained strong even during the recession of the early 1990s. Downtown development had leaped forward. Property taxes, once high, were now among the lowest in Virginia. Debt payments had been cut in half. Mayor Eason had been reelected three times, and his allies on the council had also worn well with voters. Citizen satisfaction with city government hovered around 90 percent. Employee morale, measured annually, was consistently good. Many employees believed a new culture had emerged.

The drive to perform had, however, left the organization exhausted. People were getting tired of change. “People were feeling wrung out,” says Tharon Greene. “We'd been doing more with less for years.”

In 1995, O'Neill met with his department directors to talk about the problem and to rally the troops. He told them he was just as worn out as they were and wouldn't mind taking a break either. But their world was changing rapidly. If the city wasn't prepared to stay in front of the curve, it would lose its edge. “As much as we'd like to take a break,” he told them, “it's not doable.”

Then he launched a new wave of changes.

O'Neill had his eye on two challenges. One was problems the city faced that could not be solved within its perimeters. A whole range of issues, such as air quality standards and employment, for instance, transcended city boundaries. The other challenge was that Hampton's citizens still didn't think city government was responding adequately to their neighborhoods' needs.

The city was not well prepared to deal with either challenge. It didn't have strong connections with other entities in the region, and its departmental structure got in the way of creating healthy neighborhoods. “We had trouble getting department heads to buy into the fact that [neighborhood service] was their priority,” says Joan Kennedy, who ran the fledgling unit created to help neighborhoods. “They viewed it as an add-on to the regular job.” As a result, she spent most of her time “jumping organizational hurdles.”

In response to these concerns, O'Neill asked his department heads to

figure out the make-or-break issues the city faced. They came up with five major challenges: creating healthy families, healthy neighborhoods, healthy businesses, a prospering region and delighted customers. They recommended permanently dismantling the remaining walls between departments and shifting resources to these strategic goals. “We’re talking about department boundaries disappearing within a year,” says Greene.

No one knows where the process will lead. But in Hampton, this is not unusual. “It’s just the next big change,” says Assistant City Manager Monteith. “Given that we are continually looking for the better way to make things happen, this organization is going to keep on changing.”

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# Internet Sites

## *On Democracy and Human Rights Themes*

Please note that USIA assumes no responsibility for the content and availability of those non-USIA resources listed below which reside solely with the providers:

### FUNDAMENTAL U.S. DOCUMENTS

#### **U.S. Constitution**

<http://www.usia.gov/usa/aboutusa/consteng.htm>

##### **Français**

<http://www.usia.gov/usa/aboutusa/constfr.htm>

##### **Español**

<http://www.usia.gov/usa/aboutusa/constes.htm>

#### **Bill of Rights**

<http://www.usia.gov/usa/aboutusa/billeng.htm>

##### **Français**

<http://www.usia.gov/usa/aboutusa/billfr.htm>

##### **Español**

<http://www.usia.gov/usa/aboutusa/billes.htm>

#### **Declaration of Independence**

<http://www.usia.gov/usa/aboutusa/deceng.htm>

##### **Français**

<http://www.usia.gov/usa/aboutusa/decfr.htm>

##### **Español**

<http://www.usia.gov/usa/aboutusa/dec.es.htm>

#### **The Federalist Papers**

<gopher://spinaltap.micro.umn.edu/11/Ebooks/By%20Title/Fedpap>

### U.S. GOVERNMENT

#### **Executive Branch**

<http://www.vote-smart.org/executive/>

#### **Legislative Branch**

<http://www.vote-smart.org/congress/>

##### **U.S. Senate**

<http://www.senate.gov>

##### **U.S. House of Representatives**

<http://www.house.gov>

## Judicial Branch

An in-depth site on the U.S. judiciary, from the court system to legal terms.

<http://www.vote-smart.org/judiciary/>

## The Cabinet

<http://www.usia.gov/transition/bios.htm>

### Cabinet Departments

<http://www.usia.gov/usa/links.htm>

## RELATED SITES FOR ORGANIZATIONS DEVOTED TO FEDERALISM

### The Council of State Governments

<http://www.csg.org>

The Council of State Governments (CSG) is a united front of state leaders which works to evoke change in the federal government, such as the 1995 enactment of the federal Unfunded Mandates Act. CSG also strives to consider ways to restore the balance of powers between the states and the federal government.

### Governing Magazine

<http://www.governing.com/>

*Governing* is a monthly magazine whose primary audience is state and local government officials: governors, legislators, mayors, city managers, council members and other elected, appointed and career officials, set policy for and manage the day-to-day operations of cities, counties and states, as well as such governmental bodies as school boards and special districts.

### The Institute for Electronic Government

<http://www.ieg.ibm.com/>

The Institute for Electronic Government is a global resource for government leaders to explore, develop, and share strategies appropriate to our times—public policy, cyberlaw, economic development, electronic commerce, delivery of services to

citizens, constituency relationships, and replacing industrial-age institutions with the art of governance—through digital age technologies and networks.

### The National Association of Counties (NACo)

<http://www.naco.org>

NACo is the national voice for America's county governments, representing the American people at a grass-roots level. Member counties share important goals and concerns that impact the quality of life in communities across the nation, acting as a liaison with other levels of government; improving public understanding of counties; serving as a national advocate for counties; and providing a resource for counties to help them find innovative methods to meet the challenges they face.

### The National Civic League

<http://www.ncl.org/ncl/>

The National Civic League seeks to foster collaboration between citizens, government, business, and nonprofit organizations by promoting the principles of collaborative problem-solving and consensus-based decision-making in local community building.

### The National Conference of State Legislatures

<http://www.ncsl.org>

The National Conference of State Legislatures (NCSL) believes that legislative service is one of democracy's worthiest pursuits. As a national conduit for lawmakers to communicate with one another and share ideas, NCSL is dedicated to serving the United States, its commonwealths and territories, through research, publications, consulting services, meetings and seminars.

### The National Governors' Association

<http://www.nga.org>

The National Governors' Association provides direct access to information on U.S. state governors and shares the best ideas of the states. Also provides assistance on state-focused problems, information on state innovations and practices,

and a bipartisan forum for governors to establish, influence and implement policy on national issues.

### **The National League of Cities**

<http://www.cais.com/nlc/nlcmain.html>

Through the National League of Cities (NLC), mayors and city council members share information that strengthens municipal government throughout the United States. NLC advances public interest, building democracy and community, and improving the quality of life by strengthening the performance and capabilities of local governments and advocating the interests of local communities through influencing national policy and building understanding and support for cities and towns.

### **Public Works Network**

<http://www.publicworksonline.com/>

Public Works Network is an online network of resources dedicated to government entities, private firms, and individuals engaged in ensuring that the public's infrastructure and basic services are designed, constructed, and operated in an effective, efficient, and economical way.

### **Publius: The Journal of Federalism**

<http://www.lafayette.edu/publius/>

A journal devoted to the increase and diffusion of knowledge about federalism and intergovernmental relations. At this website, you can browse article titles, both past and present, but you must subscribe on-line to view articles.

### **The United States Conference of Mayors**

<http://www.usmayors.org>

The Conference of Mayors aids the development of effective national urban policy, strengthens federal-city relationships, ensures that federal policy meets urban needs, and provides mayors with leadership and management tools of value in their cities. Speaking with a united voice on matters pertaining to organizational policies and goals, each member-mayor contributes to development of national urban policy through service on one or more of the organization's 10 standing committees.

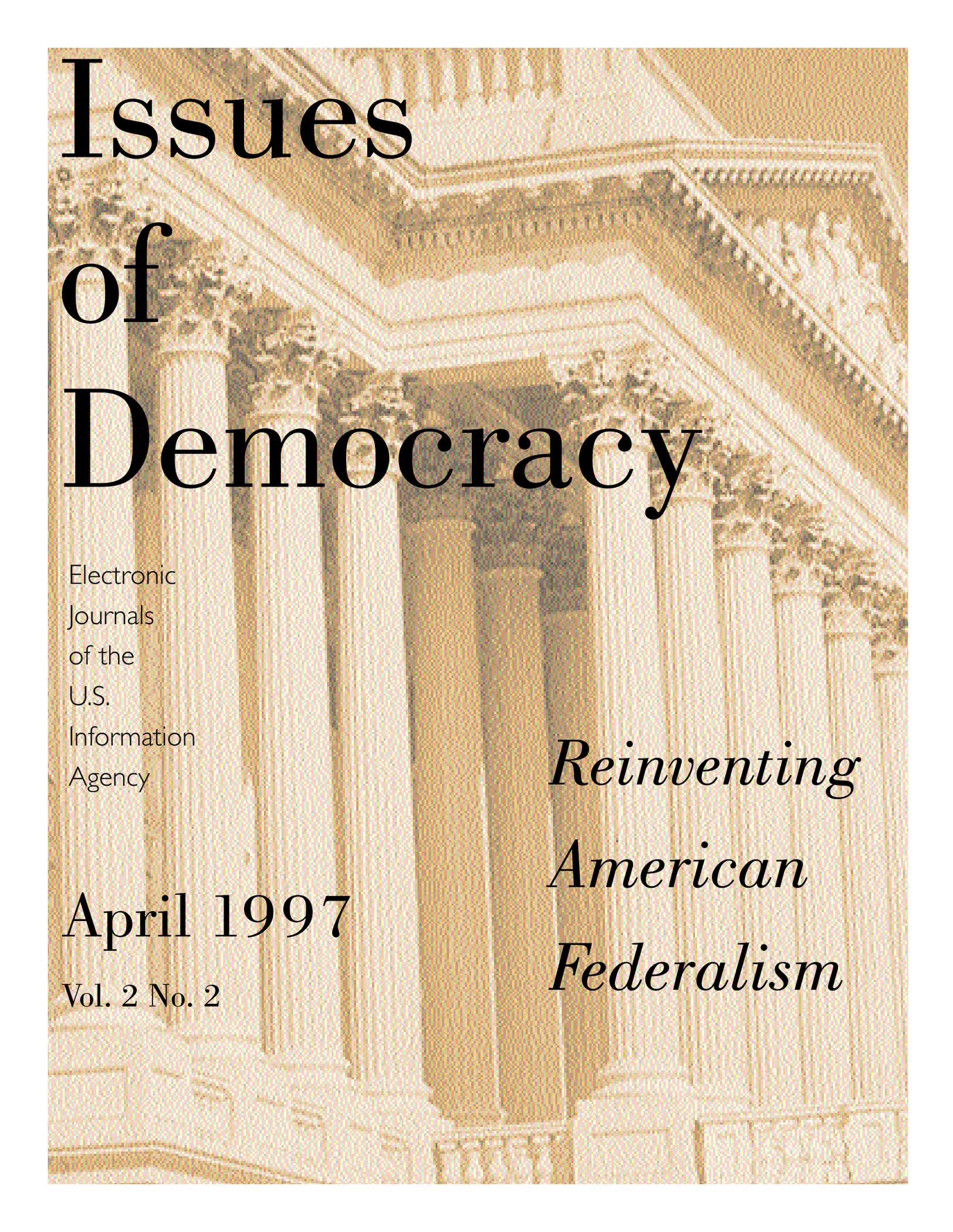
### **The Urban Institute**

<http://www.urban.org/>

The Urban Institute is a nonprofit policy-research organization that investigates the social and economic problems confronting the United States and the government policies and public and private programs designed to alleviate them. The Institute's objectives are to sharpen thinking about American society's problems and efforts to solve them, improve government decisions and their implementation, and increase citizens' awareness about important public choices.

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