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Governing the Large Metropolis[†]

MICHAEL STORPER

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ABSTRACT Metropolitan governance is shaped by the strong interdependencies within urban areas, combined with the fragmented geography and roles of the agencies that govern them. Fragmentation is not an accident; it responds to underlying differences in the preferences of constituencies, the scale of efficient provision of public goods and regulation, and the bundling of attributes of the city into jurisdictions. This is why governance moves forward in a haphazard way, through tinkering. The analytical framework for understanding metropolitan governance is as a large-scale unfolding principal–agent problem. There is no optimal ‘solution’ to this problem, whether from the standpoint of efficiency, satisfaction, or justice. This paper instead proposes creating a more explicit social choice process around the agencies and instruments of metropolitan governance.

EXTRACTO La gobernanza metropolitana está determinada por las fuertes interdependencias dentro de las áreas urbanas, que se combinan con la geografía fragmentada y los roles de los organismos que las gobiernan. La fragmentación no es un accidente sino que responde a diferencias subyacentes según las preferencias de los distritos electorales, el nivel de prestaciones eficaces de los bienes públicos y la regulación, y el conjunto de atributos de la ciudad en las jurisdicciones. Este es el motivo de que la gobernanza avance de una forma aleatoria y mediante apaños. La estructura analítica para entender la gobernanza metropolitana es la de un problema a gran escala de la relación entre principales y agentes. No hay una ‘solución’ ideal a este problema, ya sea desde el punto de vista de la eficiencia, la satisfacción o la justicia. En su lugar, en este artículo se propone la creación de un proceso más explícito de elección social en torno a los organismos e instrumentos de la gobernanza metropolitana.

摘要 大都会的治理，是由城市地区中强大的相互依存性所构成，并结合破碎的地理，以及治理相互依存性的代理角色的碎裂。破碎化并非纯属偶然，而是对于选民偏好的基本差异、提供公共财及规范的有效规模，以及将城市属性包裹进管辖区的回应。这正是为何治理是透过修补的方式，循杂乱无章的路线前进的原因。理解大都会治理的分析性框架，宛若大规模展现的委託—代理问题。无论就效率、满意度或公平的立场而言，此一问题皆无最佳的‘解答’。本文因而建议为大都会治理的代理及手段创建更为明确的社会选择过程。

RÉSUMÉ La gouvernance métropolitaine est influencée par de fortes interdépendances au sein des zones urbaines, conjuguées à une géographie morcelée et aux rôles fragmentés des agences qui les gouvernent. La fragmentation n’a rien d’un hasard; elle répond aux différences sous-jacentes des préférences des circonscriptions, de l’importance de la fourniture efficace des biens publics et de la réglementation, et du regroupement des attributs de la ville en compétences.

[†]This paper is based on two keynote addresses; delivered at the International Governance Conference held at the Hôtel de Ville in Paris, 28 November 2012, and as the Annual Lecture for the journal *Territory, Politics, Governance* at the Association of American Geographers Conference in Tampa, FL in April 2014.

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C'est pourquoi la gouvernance évolue à l'aveuglette, par le bricolage. Le cadre analytique qui permet une meilleure compréhension de la gouvernance métropolitaine est sous forme d'un problème mandant-mandataire de grande ampleur qui se déroule. Il n'existe aucune 'solution' optimale à ce problème, que ce soit du point de vue de l'efficacité, de la satisfaction ou de la justice. En revanche, cet article propose la création d'un processus de choix social plus explicite articulé autour des agences et des instruments de la gouvernance métropolitaine.

KEYWORDS Governance urban fragmentation public goods social choice

JEL CLASSIFICATION: D71, H11, H73, R28, R50

INTRODUCTION

In 2010, the American journal *Foreign Policy* opened its September issue with a headline article arguing that

... the 21st century will not be dominated by America or China, Brazil or India, but by the city. In an age that appears increasingly unmanageable, cities rather than states are becoming the islands of governance on which the future world order will be built. This new world is not—and will not be—one global village, but a network of different ones. Neither 19th-century balance-of-power politics nor 20th century power blocs are useful in understanding this new world. Instead we have to look back a thousand years, to the medieval age in which cities such as Cairo and Huangzhou were the centers of global gravity, expanding their influence confidently in a borderless world. When Marco Polo set forth from Venice along the emergent Silk Road, he extolled the virtues not of empires, but of the cities that made them great. (KHANNA, 2010, p. 10)

This passage contrasts with the overall tone of academic and policy-makers' perspectives on metropolitan governance. Academics and civic leaders both tend to worry that metropolitan regions are chaotic and ungovernable, but for different reasons. Some academics worry that any system of governance will be manipulated by powerful interests, and hence it will be used to marginalize the weakest members of the urban society (STONE, 1980; MOLLENKOPF, 1983; FAIRSTEIN *et al.*, 1986; LOGAN and MOLOTCH, 1987). The opposite concern often voiced, by business interests and economists, that metropolitan governance is prone to tie up decisions in red tape and paralyze development (YATES, 1977; PETERSEN, 1981; TROUNSTINE, 2008).¹ The author of the *Foreign Policy* article exaggerates his case by positing a trade-off (rather than complementarity) between states and cities, and hence also overstates the case for cities as the sources of all order in the twenty-first century. But the article nevertheless captures an essential truth: cities and city-regions exhibit the most robust of the many complex systems of governance that humanity has devised. Paradoxically, fragmentation is their inevitable condition, but almost as inevitably, the urban condition generates sustained efforts at coordination and governance, much of which works, one way or another.

The academic concept of governance emerged largely in response to the problem evoked by the *Foreign Policy* article: how to sustain some kind of order at the global scale, where there are no sovereign institutions. Thus, ROSENAU (1999) uses the term 'global governance' to denote the regulation of interdependent relations in the absence of an overarching political authority. This is a long-standing concern of students of metropolitan regions, which all exhibit an extremely high level of economic, social, environmental, infrastructural and 'public order' interdependence,² but for which there is rarely an overarching political authority (such as a sovereign, unified regional government). In this sense, metropolitan governance is the governance problem *par excellence*.

But the challenges of governing large metropolitan regions are different in certain ways from those of governing the global economy and political system. In the global sphere, there is neither an overarching authority nor, for many important policy areas, any meaningful formal authority; by contrast, in metropolitan regions, there is often an overabundance of overlapping and fragmented authorities to deal with an almost infinite range of issues, as described in WOOD's (1961) classic work on the subject, aptly entitled *1400 Governments*. In addition, most metropolitan regions are contained within the sovereign territory of a nation-state and subject to its laws and to a single constitutional framework.

The discussion of governance has expanded greatly in recent years, raising many issues of relevance to the problem of governing metropolitan regions, and it forms the background for the analysis carried out in this paper (HERTIE SCHOOL OF Governance, 2013). First, the general literature is very concerned with the problem of multiple scales (national to global, or regional to national), and the authority gaps and coordination failures this creates (KOOIMAN, 2000, 2003; ENDERLEIN *et al.*, 2010; BEVIR, 2011; HERTIE SCHOOL OF Governance, 2013). This problem shows up in metropolitan regions as the tortured relationship between the region's cities, sub-regions, and neighborhoods. Secondly, the academic discussion of governance draws on the basic issues raised in the broader social science of institutions, in the sense that it is about the organization of agencies and rules that give order to economic and social interactions and shape their overall outcomes and patterns of relative winners and losers from them (NORTH, 1990; ACEMOGLU *et al.*, 2005). Third, the social science of institutions may have started out by studying mostly formal government organizations and constitutional frameworks ('hard' institutions), but it has since folded in greater consideration of a wide variety of actors, organizations, and routinized (hence 'institutionalized') social practices or conventions that give order to the economy and society. These soft institutions interact with hard ones and they are mutually influential in shaping a variety of outcomes. Fourth, some metropolitan governance research tries to identify what works and what does not, mirroring a concern of the wider institutions field with 'good' governance and economic and social welfare (KAUFFMAN *et al.*, 2010; HERTIE SCHOOL OF Governance, 2013; RODRIGUEZ-POSE, 2013; RODRIGUEZ-POSE and DI CATALDO, 2014).

The literatures on governance, from metropolitan areas up to larger scales, such as the European Union, or global warming, have in recent years identified processes of what are now labeled 'multi-level governance', which are attempts to coordinate decision-making and public policy in the face of overlap and fragmentation of authority (ENDERLEIN *et al.*, 2010). In what follows, I shall argue that even the best efforts at multi-level governance of large metropolitan regions, while perhaps necessary, are unlikely to be sufficient in coping with their underlying governance problem. Following this analysis, I propose a complementary set of tools to improve governance.

For the purposes of this analysis, terms such as the 'large metropolis' or the 'city-region' refer to the territorial scale that covers the economy of the functional urban region, generally corresponding to the built-up area of that region and its commuting zone. For example, in the USA this means the Consolidated Statistical Areas of the census, as in the 12-county San Francisco Bay Area, or the 5-county Southern California metropolis, or the tri-state New York–New Jersey–Connecticut metro area. In Europe, it corresponds to Greater London, the Ile-de-France, and Randstad Holland, as well as metropolitan Marseille, Barcelona, or Copenhagen. It equally applies to the Estado de Mexico (including the Distrito Federal) or the *grande* Sao Paulo. The reason this scale is appropriate is that functional urban regions capture the scale at which the strong

economic effects of labor and land market integration are generated via intense daily labor market interactions and a functionally integrated built environment.

THE TWO MAIN MOTORS OF METROPOLITAN GOVERNANCE AND ITS DIFFICULTIES: A PRINCIPAL-AGENT THEORY

Whether one is interested in how the metropolitan institutions that govern affect efficiency, power, or justice, the starting point for thinking about them is that all major metropolitan areas are governed by a complex mishmash of municipalities, counties, *départements*, special authorities, districts, and agencies. This is no coincidence. All metropolitan areas share underlying needs to govern themselves, which stem from the strong interdependencies and externalities generated by urbanization; but all such regions have fragmented political geographies for addressing these problems. This is why some version of the same basic mishmash is found in countries whose political and administrative systems are otherwise quite different.

We can begin with interdependencies. All major urban areas concentrate a plethora of different types of activities, including political administration, ceremonial and religious activities; the production of goods, services, and communications; trade; and leisure. All such activities require complex chains of participants (such as many firms for goods and service production, who supply one another). This is known as their 'division of labor'. These chains of activities, in turn, have to have ways of coming together in cost-efficient and timely ways. A key way this is done is through geographical proximity, which in turn generates density, which then creates competition for locations. This complex jumble of independent but interdependent activities, close together, has characterized the internal structure of cities from the most ancient of urban centers, which arose about 6000 years ago, to the present era. Moreover, these primary activities of a city generate secondary pressures for spatial polarization, in the form of residential activities and markets to serve the concentrated local population (SCOTT and STORPER, 2014).

Since these activities crowd together on urban land, but cannot co-locate on the head of a pin, there has to be some mechanism for sorting them into an organized city. They need to be organized into a land-use pattern that marries efficiency and satisfies a diverse array of desires for access to what the city has to offer. This is the urban land nexus. The urban land nexus has a never-ending puzzle to keep solving: it must accommodate the many competing uses of urban land, limit the negative consequences of such crowding, and link it all together as the system expands, so that the costs of distance and time do not overwhelm the *raison d'être* of the urban area (SCOTT, 1980). Land markets are a key underpinning of the urban land nexus, an institution that sends signals to shape the pattern of location, proximity, and distance. But land markets also generally fail to provide the roads, communication systems, and other transport infrastructure and service support on which most activities depend; hence, these activities almost always fall under the purview of government and are provided as public goods. Markets also have certain failures in providing sports and culture facilities. Moreover, at any moment in time, the different and competing uses of urban land have unanticipated effects, positive and negative, on other uses. Synergies are positive effects that emerge from proximity (e.g. learning from one another in dense spaces, or 'buzz'). But markets without regulation also tend to generate pollution, traffic, or crime, which are the classical negative externalities. This is why most users of the land and space of the city have contradictory preferences: they desire both proximity to urban resources (productive, knowledge-based, cultural, and consumption-based), and separation from

the negative effects of close-by activities and people. These effects can be subjective (personal preferences for silence or noise, density or not, for example), but they can also have important effects on land values. The desire to avoid these effects in turn leads to an outpouring of demands that the urban environment be governed by something more visible than the market's invisible hand. Such governance is achieved through rules, procedures, and plans, on the one hand, and through the provision of public goods, on the other. But the many different users of urban space do not have identical priorities for rules/procedure/order and public goods. Consequently, there is strong incentive for such rules and goods to be created, but abundant and inherent conflict or difference over their precise content.

The second universal feature of major urban areas is their political geographies, by which is meant the boundaries of agencies charged with decision-making, rulemaking, and providing public goods. The built area and territorial scale of urban economies grow incrementally, and as they do so, they establish agencies with various jurisdictional boundaries. As urban regions expand, these existing authorities are always buffeted by the need for functional coordination over larger territories, on the one hand, and the desire of households and firms for smaller jurisdictions over spaces that reflect specific functional or community interests (residence versus commerce, for example) or a social hierarchy (richer versus poorer, for example). These contradictory desires and incremental growth processes generate a complex mosaic of exclusive and fragmented jurisdictions, on the one hand, and overlapping jurisdictions, on the other.

Efficient scales for governing or providing public goods are also multiple and sundry: the efficient scale for collecting the garbage is not identical to the scale necessary to organize the transport system for moving people around the metropolis; one can be local and the other is by definition regional (ROSE-ACKERMAN, 1983). Taken together, differences in preferences and differences in efficient scale lead to a situation where each agency has a differently scaled political constituency ('principals') (STIGLITZ, 1987).

If we move from urban services and public goods to urban land use itself, an additional problem emerges. Land-use choices are affected by how any given location bundles together many different attributes of a place. A single address, for example, bundles together (for the renter or buyer) its housing stock and environmental quality; the quality of its schools; access to urban public services; the composition of a neighborhood's population; its crime levels; its access to parks or entertainment and leisure, and so on. The bundling problem is simple to grasp: when I buy a cable subscription for the three channels I want to watch, I get 300 I may never watch (MANVILLE and STORPER, 2006). Thus, the apartment I like for its architecture or its access to schools may not have the transportation access I want; or I might have to buy too much apartment to get into a locality with the schools I do want (CHESHIRE and SHEPPARD, 1995). This makes urban land and the expression of preferences in cities fundamentally different from buying a cell phone or a pair of pants. In these typical consumer markets, choices are divisible from other choices (sovereign), reversible (low sunk costs), and exclusive (for me only, with no interdependence to other users). Land-use choices have none of these features. Moreover, location choices have the feature of positionality, meaning that there is a limited potential supply of slots at any given location in the dense space of the metropolis; this leads to a stronger role for prices of land (rents) in urban land markets than in typical consumer markets, where elastic supply keeps prices down as demand increases. Positionality leads to crowding out (and a pattern of land uses), but this in turn leads to the politicization of land-use decisions, and hence to additional demands for governance to deal with the competition for scarce locations within the urban area.

In this light, metropolitan areas will always have political geographies where our preferences and needs are going to be bundled so as to conflict with those of others. As a result, the agents or authorities set up to govern or provide public goods are going to satisfy only some of these preferences and will have to compromise on what they give us. There is no single geography or organization of governance that could ever resolve this innate problem of bundling in a definitive way. There is also no voting system that can ever resolve it. The deficiencies of voting to achieve social choice have long been recognized in ‘impossibility’ theories, from the Marquis de Condorcet to Kenneth ARROW (1951). Majority rule or even orienting choices to the preferences of the ‘median’ voter leave huge tails of unsatisfied principals (PERSSON and TABELLINI, 2002). This has encouraged generations of social scientists to be pessimistic about ever achieving efficient and democratic governance. In an urban context, this reasoning suggests that we must be resigned to some combination of inefficient governance and frustrated users of the city.

This theory review suggests, then, that an appropriate starting point for analyzing metropolitan governance is principal–agent theory. The prediction this theory generates is that metropolitan land use, as well as services and public goods provision and environmental regulation, is always going to involve a significant principal–agent mismatch.

GOVERNANCE IS PROBLEMATIC OVER TIME

The effects of principal–agent mismatch tend to be aggravated over time. As urban areas expand and change, they generate new principal–agent de-alignments. A larger urban area will, for example, generate a natural need for a more extensive transport system. But the pre-existing boundaries for transit operators and financing more services tend to trap the principals behind agents whose boundaries are no longer the right ones to serve new needs as they arise. The scale of authority or preferences or communities does not adjust at the same rhythm nor necessarily in the same direction as changes in the functional geography of the metropolis. Technological innovation adds to this by constantly upsetting the efficiency of the old solutions, but technology does not call forth in any automatic way a scale of authorities or interests that corresponds to the new set of possibilities. An example of this is where technologies of retail distribution increase the scale of points of consumption (central place zones), hence tending to destroy the more finely grained previous pattern of central places. The authorities who make decisions to authorize larger stores usually lie within one jurisdiction, but their actions have effects well beyond their boundaries. Yet it is extremely difficult to adjust the scale of decision-making to the scale of the new effects.

This typically leads to a process whereby metropolitan regions generate new agencies or mandates that are fragmented and that overlap, *and* these new agencies are added to the many that are inherited from the past. In addition, many of the attributes that are bundled together in a specific location are there because of prior public (collective) decisions (e.g. schools, infrastructure, zoning, environmental quality, parks, and cultural amenities). With the passage of time, future users are increasingly likely to get stuck with attributes of land that were supported by majorities to which they have never belonged. If my preferred bundle were identical to that of every other current user of land, and our bundles were identical to those of previous majorities, there would be no problem. But in general agencies responded to demands for infrastructure and amenities in the past on an issue-by-issue basis and even in this limited way, they only satisfied some part of the principals’ desires, thus creating bundles. Though from time to time, we try to respond to these effects by consolidating or eliminating pre-existing agencies, in most cases this

just eliminates the most egregious or dysfunctional scales or mismatches. It falls far short of adjusting governance to current desires for amenities, access, or efficient and desired provision of services.

Changes in preferences or efficiency opportunities also open up distributional and power conflicts. Some of these revolve around the scale and territory of governance. To take our previous example, even if a regional transit system becomes needed, and technology offers a possibility for creating it, local transit systems may jealously guard their monopolistic service areas, and they will often have local support for doing so. This is because they may already serve a certain constituency well, at the price of a more efficient or socially just regional solution. These distributional conflicts, of course, often map onto social and economic class divisions that are already set into urban space.

Some conflicts are only secondarily about territory, and are instead principally about class and social power; their territorial manifestations can make such latent conflicts apparent and provide a battlefield in the longer war. Along these lines, STONE (2013, p. 4) argues that

... different socio-economic strata have quite different capacities to engage in the governing process Mostly the various strata inhabit different political worlds with quite different challenges. Governing in the different tiers of the political order coincides with the fit between the resource capacity various groups have and the scope of the policy issue which they are able to engage.

In the context of changing principal-agent relations for different tasks of governance, then, the landscape of acquired gains can be shaken up. This can lead to resistance, where the potential losers from a change prevent it from happening. But it also often leads to the destruction of hard-won gains by the disadvantaged groups in the society, and to their perception that they need to start all over again, with all the anger and frustration that will generate (MOLLENKOPF, 1983; ALTSHULER *et al.*, 1999; KATZ, 2011).

Changes can also work in the other direction, breaking up market monopolies by existing agencies. This occurs when technology makes possible a downscaling, but the existing large-scale bureaucracies and authorities do not want to legislate themselves out of existence and devolve. Information technology (IT) today makes possible smaller scale and more targeted provision of many services (even if they are sourced from larger providers, IT allows more outside procurement and customization of output). Large public monopolies sometimes have a hard time adapting to these new conditions and hence their bureaucrats and functionaries become interest groups that attempt to block change.

To recapitulate, there are two main dimensions and sources of the governance problem: (a) the urban land nexus, which gives us strong interdependencies and bundling, many of which are problematic; and (b) political geography, which creates a principal-agent mosaic that does not necessarily correspond to preferences or efficiency. There is no way, at any specific moment or over time, to separate each individual governance and public goods question into its scale and have exactly the right level—that is, a perfect alignment of principals and agents—for each problem or need, or to have these different needs align in scale (bundle) and constituency with one another.

Public choice theory proposes the Tiebout model as a solution to this dilemma (TIEBOUT, 1956). In this view, a metropolitan region should be seen as a market of competing agencies that supply a diverse range of amenities, access, and public goods to the principals (e.g. to households and firms), who in turn act on their preferences by choosing location (migration, spatial sorting) as a way to buy into a particular bundle. There is

no question that this is a key realistic feature of the residential mosaic of any large urban area, and that there is some matching of principals and agents that it makes possible. Vincent Ostrom took the public choice perspective even further, arguing that not only fragmentation, but overlap (or polycentricity) in public administration in general and local government in particular, were essential to democracy and to efficiency, with this redundancy as an information-gathering mechanism on society's preference (OSTROM and GOLEMBIEWSKI, 1977; OSTROM *et al.*, 1989).

Tiebout processes do seem to reduce political partisanship at the local level, by creating rather high levels of household homogeneity at the most local level, discouraging political extremism as a way to compete for voters (FERREIRA and GYOURKO, 2007). But this moderation does not solve the problem of satisfying the preferences of their principals. Local decision-making is often dominated by median voter preferences and excessive attention to low hanging fruit (problems that have relatively low transaction or sunk costs) (PERSSON and TABELLINI, 2002).

Tiebout sorting has similar difficulties at the metropolitan scale. The marketplace for sorting of principals reduces political and social affinity and may make it harder for coalitions and cooperation at regional scale for regional-scale problems. It also has many other complex and indirect neighborhood effects, such as unintended segregation, as individuals pursue preferences that are unwittingly shared with individuals that they resemble (cf. SCHELLING, 1978; SAMPSON, 2012; GORDON, 2013). Moreover, Tiebout public choice mechanism cannot resolve the problem metropolitan spillovers and externalities of local choices. The public choice mechanism also does not lower transaction costs for supplying metropolitan scale public goods, and it may exacerbate unequal power between different groups of principals and their agents (STIGLITZ, 1982; ROSE-ACKERMAN, 1983). Worse, competition between jurisdictions may distort policy agendas and lead to diversion of public resources to investments with negative social return (DONAHUE, 1997).

Extreme libertarian versions of Tiebout-style thinking about governance crop up from time to time in proposals to create 'all new' cities that will supposedly not be weighed down by the interest-group politics of existing areas; their solution is to attempt to wipe the messy slate clean. This is an enduring fantasy behind the creation of new capital cities such as Brasilia (HOLSTON, 1989). It also underpins a recently floated (but then abandoned) proposal to create an entirely new city in Honduras, run by an extra-governmental committee that would not be subject to any existing institutional constraints (THE ECONOMIST, 2012). The Ecuadorian government is also currently promoting their Yachay Science City in the Amazon basin, starting from scratch not only in physical planning, but also starting-over in terms of governance.³ We should be skeptical of these utopian dreams. The historical precedents for this type of project suggest that these new Brasilias in the jungle will become like the real Brasilia, now a typical metropolitan region with all the governance problems, conflict, and misalignments signaled above (HOLSTON, 1989).

AND YET, CITIES ARE GOVERNED: WHY?

Cities do disappear and their governance can collapse under some circumstances. Cities are conquered and are sometimes deliberately destroyed as a way of cutting their power out of the new body politic. Sometimes they are ethnically cleansed or their 'governance' replaced by the victor group (WOLFE, 2012). Other cases of the failure of metropolitan governance come about when cities lose their economic *raison d'être* and slowly succumb to outmigration, as has happened to Detroit in the last couple of decades. But

this is not because of failure of governance per se, but because the basic motivation disappears for people, activities and wealth to stay in the first place, and hence to govern or to have the resources to govern. Barring these dramatic, externally generated conditions, most cities are governed—by hook or by crook—because the interdependencies of the urban land nexus are felt so directly by the principals. Exiting, or not governing, is in the interest of almost no principals, because the negative consequences would be widespread and deep. This is unlike other scales of politics—such as nations—where withdrawal, secession, defeat of the other, or war, are more often feasible alternatives in the face of change. The *prima facie* evidence of the robustness of the urban scale of governance is that cities tend to survive states and empires, not just as functioning physical and economic systems, but usually as administrative entities.

But, as noted, the very nature of these efforts to govern involves grinding, ongoing struggle, and conflict. A corollary to their strong incentives to try to govern is the inertia, high transaction costs and conflicts generated by the endemic misalignments of principals and agents. Hence, there are indeed failures of human action and chains of unintended consequences that can bring cities down, or at least can severely cramp them. The most difficult governance problems to solve are those with slow, subtle increases in negative consequences (the ‘frog in the slowly heating water’ problem), and solutions with diffused, slow to accrue, or unclear future benefits. Examples of these types of problems include climate change, subtle and slow deterioration of economic performance, or slow-burning social conflicts that lead to segregation and outmigration. All these types of problems are indeed highly subject to governance failure. The typical, mainstream governance problems of infrastructure and land-use planning and public services provision tend to be addressed, albeit quite imperfectly. This is because their costs and benefits are widespread and reasonably clear. Education and crime are in a middle range between these two extremes, even though they generate a great deal of conflict in daily urban life.

BRICOLAGE OR TINKERING AS THE WAY GOVERNANCE DEVELOPS

To summarize the argument thus far, the principal–agent framework shows that in all city-regions, even highly successful ones, there will always be three governance problems at hand. First, at even the smallest local scale, amenities and dis-amenities are bundled and cannot, for the most part, be separated, when we make decisions about where to live, work, and carry out other activities. Second, at the scale of a metropolitan region, jurisdictions that provide amenities and public goods are typically very fragmented, and the communities of principals are different for these different agencies. Even when agencies are highly responsive to their principals, they make decisions that will please some more than others. Moreover, because we are principals of many different agencies, these memberships do not necessarily line up with one another into the bundles that we would ideally like to have. Even when we exercise our influence as principals, we will only get some of what we want and our location decisions will involve complex trade-offs. Third, as technologies, preferences, and needs change, existing agencies will be mismatched with their principals, and with other agencies. Hence, there is a need to change what is provided and to evolve the scales and methods of provision, in order to try to re-align principals and agents, for both efficiency and democracy purposes. Neither complete centralization nor libertarian competition is likely to resolve these fundamental issues.

Faced with these circumstances, in most city-regions, the response is *bricolage*, or tinkering and makeshift⁴ governance practices. Metropolitan regions constantly invent authorities and new powers, often in ad hoc fashion, that enable them to address changing needs. They do so, for the most part, without sweeping institutional reform. The forms that governance bricolage takes are many and sundry and include: expansion of classical forms of public provision through the creation of new agencies or their division or recombination; the creation of new special-purpose public special authorities; the ad hoc invention of private–public corporate forms, including QUANGOS (quasi-autonomous non-governmental organizations) and other public–private partnerships for supplying public goods and services; privatization under public contract or charter; regulated private monopolies in the public service; and intergovernmental authorities for providing services, or governments that contract with one another as providers.

This is probably not a bad toolkit for doing things in light of the principal–agent problem of governance, though it does not address bundling at the most local levels and hence about the most basic level of frictions.⁵ Politics also may fail to do enough innovative tinkering, because political systems of all types also have incentives to avoid problems or paper them over entirely. Tinkering is far from perfect, but when there is little or no tinkering, it is probably a sign of a paralyzed political system.

PRINCIPAL–AGENT PROBLEMS IN RELATION TO THE URBAN ECONOMY, URBAN GEOGRAPHY AND URBAN POLITICS

Though all cities consist of an urban land nexus, and all face the problem of fragmentation and principal–agent de-alignment, there are almost infinite empirical variations of these problems. A wide array of forces interacts with and shapes the principal–agent dynamics of each region. Some of these forces are political, as in the array of interest groups and political power, as well as constructivist, in the interplay of ideas and political cultures with the reality of principal–agent problems. Some of them are structural characteristics of the economy of the city, and still others are idiosyncratic features of the political and natural geography of a region. We can briefly examine them.

The Structure of the Urban Economy

The level of economic development, which is best captured by the real per capita income of the metropolitan region, has a direct impact on principal–agent problems. The higher the level of development, the more public goods tend to be provided. This is because higher income lowers the opportunity cost of public goods (it reduces the trade-off between public and private consumption, in other words). But this occurs only up to a certain point, because at extremely high levels of real income, there is often a switch back to private provision, in the shape of something like a bell curve, because private provision of some of the services hitherto offered by public goods can offer more of the desired attributes of private goods: choice, status, position.

The second structural determinants are urban density and the size of the urban economy. Public goods tend to increase with size and density. Density is associated with very high land prices, and private housing space becomes smaller at a constant level of income. Public goods increase because smaller private residential spaces can only accommodate a smaller number of amenities and functions (gardens, extra dedicated rooms, and so on). This is one reason why Paris and Manhattan provide so many similar public goods in spite of their different political and fiscal regimes and political cultures. The size of an effective urban economy allows for greater economies of scale, and hence lowers the potential unit cost of some public goods; those goods that

are not subject to the backward-bending demand curve described above can thus be more abundantly provided in bigger urban areas (BUETTNER and HOLM-HADULLA, 2013). All in all, the interaction of income level, density, and urban size has big impacts on public goods provision.

A third factor shaping public goods are social, economic, class, ethnic, and spatial divisions. The more divided the society, the lower the level of public goods provision, at a given level of income (ALESINA *et al.*, 2003). The more ethnically homogeneous a metropolitan area, all other things being equal, the higher will be the level of public goods provision. The widely accepted explanation for this finding comes from social affinity theory. We feel more comfortable providing public goods for those who resemble us, in part because our user patterns resemble those of our social group, but also because of empathy for those who are like us but do not have what we have (LINDERT, 2004). This empathy is weaker for other groups because of a common tendency to see the inability of others to provide for themselves as due to a perception of fundamental alterity: stigmatized differences between ‘them’ and ‘us’. There are geographical dimensions to division as well. More spatially integrated economies require less locally provided public goods (because lower shipping costs can promote economies of scale and distant sourcing of those goods), while conversely interregional division leads to more local provision (WORLD BANK, 2009). Moreover, greater intra-urban segregation of social groups tends to lower participation in coalitions that provide public goods across scales or territories, such as neighborhoods, because it weakens social affinity, both subjectively and objectively (less real interdependence) (BESLEY and COATE, 2003; BESLEY *et al.*, 2003; STORPER, 2013).

The fourth dimension of public goods provision is distance. As the costs of covering distance fall, public goods tend to increase because cheaper interdependency and interconnection reduce the cost of providing public goods over large territories or market areas, hence making it possible to realize economies of scale (KRUGMAN, 1991). But it will also make market provision of public goods cheaper, and tend to encourage privatization.

These structural forces that generally encourage or increase public goods provision may attenuate some principal–agent problems, since public goods with widespread spillovers will calm latent conflict and dissatisfaction. But for those with strongly localized spillovers, enhanced provision may increase conflict, because the spillovers will have strongly localized effects on amenity values and land prices (CHESHIRE and SHEPPARD, 1995). Such provision may even then increase segregation, if the access or land-value effects are strongly positional. Thus, merely increasing provision does not obviate the fundamental principal–agent problem of governance.

Geographical Influences on Principal–Agent Dilemmas

There are also many historical and geographical idiosyncrasies that shape governance. One set of regional peculiarities include natural geography—city-regions with internal geographical barriers have a strong incentive to regionalize and to learn from it. This applies to metropolitan regions around bays and estuaries, with different cities on different sides of geographical barriers—San Francisco, New York, Hong Kong and Rio de Janeiro are cases in point. All of them have had to come up with highly centralized infrastructure to bridge the natural feature that divides them. In order to do so, they have to tinker with agencies that span their existing jurisdictional mosaic. It has long been observed that development projects stimulate social learning and, often unintentionally, generate actor–networks that can then be mobilized for subsequent coordination

(HIRSCHMAN, 1957). Paradoxically, the regions of cities such as London and Paris, which straddle their rivers, may be deprived of this governance-through-necessity.

The size of urban areas also affects the sorting of individuals, households, and activities in its urban land nexus. GORDON (2013) argues that larger urban regions tend to sort their populations into more homogeneous local zones than smaller regions. Even though the larger region may be more ethnically or class-diverse than a smaller one, the greater scale of the urban field leads to larger-scale more homogeneous sub-zones but a more valuable, diverse, and heterogeneous central city or set of central zones. This alters the principal-agent dynamics in many complex ways.

Regional specificities also include inherited political geography or jurisdictional structure: we can capture this in a stylized description. At one end of a range of political geographies, there are many small and homogeneous jurisdictions; at the other extreme, a high level of centralization. High centralization leads to better provision of scale-dominated governance services and public goods; high decentralization, by contrast, allows more expression of local and differentiated preferences but attaining efficient scale involves high political transaction costs. In the former, the challenge for governance is to be sensitive to diverse preferences; in the latter, it is to find a way to provide large-scale governance and public goods, where appropriate (ALESINA and SPOLAORE, 2006). These circumstances create a disadvantage to very large urban areas that runs counter to the scale advantages they enjoy. By contrast, middle-sized metropolises combine the advantages of scale with moderate transaction costs necessary for satisfying preferences and making decisions. This is one reason why subjective rankings of cities are dominated by a set of middle-sized, wealthy urban areas, but the world's mega-cities (even the wealthiest) are ranked below them.

The classical problem of the political geography of metropolitan areas, of course, is that it leads to a very uneven distribution of fiscal capacities (OATES, 1972). There is almost universally a mis-match between fiscal receipts and the benefits from public goods and services provided by the services and public goods funded by them. This is typically aggravated by various forms of fiscal competition, and it may in turn have important effects on the sorting discussed above (GLAESER and KAHN, 2001; CHESHIRE and MAGRINI, 2009). Most importantly, central cities (or zones in polycentric metro areas) provide public goods enjoyed by suburbanites, who in turn typically enjoy lower tax rates than central cities. This allows them to bid away jobs and business tax receipts from central cities, while their residents continue to enjoy the central city's amenities. This in turn saddles central city residents with lower real wages (net of their higher taxes) than the surrounding zones (GAIGNE *et al.*, 2013). This principal-agency problem is almost universal and calls, logically, for harmonization of business tax rates across larger swaths of the urban area. But this is rarely achieved; in turn, the field of urban governance is devoted to the tinkering alluded to above, as a method of putting band-aids on the underlying, largely unsolvable problem.⁶

The Politics of Governance and Governance Policy Agendas

Even though research has identified the rich tableau of forces that affect governance discussed above, we still lack data that would enable us to compare overall governance in a rigorous way, and hence we are unable to predict how well a region will be governed. Is this due only to limits of theory and data? A guess at an answer to this question is that such exercises would take us a fair distance toward understanding governance, but that there would also still be a significant residual in them, some level of unexplained outcome. This residual, I suspect, would have to do with the political and constructivist

contributions to governance. It might be that political regimes, underlying political cultures and majorities, or deep social networks of civic leadership all shape the ways underlying principal–agent problems are translated into governance.

For example, one factor that differentiates urban regions in their governance is less about the political geography, urban structure, or natural setting, than it is about administrative performance generally. Some countries and some city–regions are more corrupt than others. Thus, some part of governance outcomes will be determined by the ability of administrations to follow rules and enforce them (cf. LA PORTA *et al.*, 1999; RODRIGUEZ–POSE and DI CATALDO, 2014). To some extent, corruption varies with the level of development, and so in general wealthier places not only provide more public goods, but they govern better, independently of the political geography, urban structure, natural setting, and principal–agent misalignments that they confront. But there are still significant variations in administrative capacity in general and corruption in particular in countries with similar per capita incomes; and within countries, there is significant regional variation in corruption, which translates into significant differences between city–regions. The subject of corruption is a vast one that we cannot cover in great detail here. It is widely agreed that corruption almost always involves a situation where clan-like behavior replaces rule-bound transparent behavior, on the part of administrations and their citizen-clients. So when corruption is high, it is evidence of a particularistic (interpersonal, rather than rule-bound) and fragmented (groups against one another) environment of social interactions in the region. High levels of corruption are the ultimate interest-group structure, then; they impede many types of realignment. But they also may facilitate effective action, precisely by enabling their beneficiaries to cut around normal responsiveness to principals. Corruption does not mean ‘less’ governance, but rather a different way of constructing principal–agent relationships.

It stands to reason that governance outcomes are shaped not just by the level of formal corruption, but more generally about the ways that groups or communities relate to each other, informally, and to formal administrations. In other words, the deep social and actor–network structures of city–regions should matter to the effectiveness of governance, at any moment, and to how it evolves to solve problems over time. Landed property groups have a particularly strong influence on decision-making, because they have a lever of power: their ownership of the key input to the urban land nexus and hence influence over the entire activity structure of the city. Urban regime theory has been particularly concerned with the ways landed property groups and their allies are able to influence governance (STONE, 1980, 1993, 2013).

Regime theory considers one form of relational infrastructure that influences governance, but there are others. In authoritarian regimes, for example, the relationship of agents to principals is different from that of democratic, plutocratic, or even corruption-based regimes. At the other extreme, we might consider the contemporary notion, advanced by activists and urban planners, of non-hierarchical, cooperative practices of governing known as the ‘new regionalism’ (PASTOR *et al.*, 2000; SAVITCH and VOGEL, 2000).⁷ The new regionalism essentially argues that region-spanning coalitions are the key to solving the problem of metropolitan governance. The analysis proposed here suggests, by contrast, that improving governance would require solving a more complex principal–agent problem, involving: reconciling needs for the diversity of basic preferences to be expressed at all scales; for new preferences and issues to emerge onto policy agendas; for economies of scale to be exploited where they are possible; and for networks to be able to form in a way that new issues get expression (or traction) beyond the purely local, by getting through the median voter blockage or non-identity problem. Regional authorities or dialogs may help in certain cases,

but they will not be a panacea for this complex landscape of preferences and needs, if they impose a regional scale—in the form of regional networks or discourses or agencies—that plays to the regional median taste (or worse, to dominant regional forces).

This basic type of thinking is also enshrined in practices of ‘multi-level governance’ that have been developed in recent years in response to jurisdictional fragmentation (ALTSHULER *et al.*, 1999; ENDERLEIN *et al.*, 2010). In the most advanced form of multi-level governance today, the European Union’s new regional development framework, the different layers of decision-making interact through *ex ante* conditionality, a sort of complete contracts framework to inter-jurisdiction relationships, suited to the actions at hand (BARCA REPORT, 2011). American federalism has also experimented with this type of framework in implementing national environmental laws at the regional scale, through negotiated comprehensive regional implementation plans. But *ex ante* conditionality cannot be imposed on a permanent governance layer cake such as exists in every metropolitan region; if applied to every type of cooperation agencies undertook, it would become a permanent, impossibly costly bargaining framework. That is why *ex ante* conditionality works for circumscribed policy areas with a master *ex ante* policy solution, such as the European regional policy framework or the US Clean Air Act, but cannot operate as a feature of permanent, routine metropolitan governance.

Thus, governance does indeed have to deal with problems of elite dominance of policy-making, as well as irresponsible behavior of implementing agencies at the end of the governance pipeline. Multi-level governance and new regionalism are attempts to deal with these two problems, each in its own way. But even in an ideal world of greater democratic participation, which in principle would allow greater voice of the principals in the process, principal-agent problems will remain endemic. Participation may indeed worsen some of these misalignments between people and their agencies or between areas. The principal-agent problem cuts across political regimes, negotiating practices, and belief systems (PADOVANO *et al.*, 2013).

A PROPOSAL FOR LIVING WITH TINKERING BUT MAKING IT SERVE SOCIAL CHOICE OBJECTIVES

Bricolage and tinkering are thus necessary and common universal responses to the challenges of governance. Tinkering, even when well done, however, has significant down sides. It almost inevitably accumulates layers and layers of expensive, non-transparent, often-outmoded contracts, authorities, and actors. This creates an omnipresent risk of (a) multiplying transaction costs; (b) serious tasks slipping in between the cracks; (c) runaway expenses; (d) clientelism and corruption; (e) distracting public officials from seeing important priorities and, (f) in the best of circumstances tending to generate uncontrolled expenses. Most importantly, it means that neither public officials nor citizens generally know who does what, why they do what they do, and how much it costs, as well as what is not getting done.

Here is a concrete recent example of some of these negative effects of tinkering. In France, the QUANGOS and special-purpose (non-line) agencies are known by the term of the *opérateurs de l’Etat*. The 2012 report of the *Inspection Générale des Finances* (one of the state’s audit agencies)⁸ showed that there are 442, 830 employees of these things with the status of *opérateurs de l’Etat*, in 1244 agencies. From 2007 to 2012, in the middle of a grave economic and public expenditure crisis, these agencies had an employment increase of 6%, and they cost 50 billion euros per year, with expenses having grown 15% since 2007. There are 1500 public functionaries with responsibilities

of supervising these agencies. This is just for the central state in France, and does not include the much bigger local or regional level.⁹

Tinkering thus inevitably carries risks even in the best of circumstances and it creates public governance monsters in need of being controlled. So, why not develop a formal process for monitoring and reshaping metropolitan bricolage? Such a process could consist of the following types of instruments: the first instrument concerns information and monitoring of bricolage. It would be relatively simple to register every time an agency or authority is created (whether authority, a contract, a partner, a QUANGO, a privatization). In other words, metropolitan regions could create databases of ‘who does what?’ and update them in real time. Such monitoring information could be made available to agencies, but also to the public at large.

The second instrument is to spatialize such information. The purpose of doing so would be to create principal–agent maps, and update them in real time. With IT and mapping tools, it is now feasible to provide maps to agencies and the public that indicate who does what in the different spaces or territories of the metropolitan region.

The third instrument is to audit costs and performance of the many and different types of agencies, with the assistance of the monitoring and mapping tools described above. Performance indicators are not straightforward, of course; there are different schools of thought about what constitutes performance, and any such exercise would need to be transparent about its criteria, and not just assert its conclusions.

The fourth instrument is to use these information tools to improve debate and assist in decision-making about metropolitan governance. For example, it could be envisaged to create expiration dates for the governance agencies, contracts, and organizations that are part of the bricolage. In order to keep agencies from perpetuating themselves forever, we could—for example—create a rebuttable ‘sunset’ clause for agencies. Over time, such clauses could be progressively lined up into bundles, so that more efficient, comprehensive, and transparent debates about agencies could be carried out. It is unrealistic to expect the principals (citizens) to be interested in the minutiae of many thousands of public and quasi-public agencies. But if these were lined up, over time they could evolve into periodic, high-profile reviews of the bricolage of agencies and their roles, a review that would be interesting and accessible to time-burdened and information-overloaded citizens. It would allow presentation of alternatives (do we keep what we have done through bricolage, expire it, or consolidate it?).

The fifth instrument is to then use this kind of exercise to inform decision-making about agencies of governance and their instruments. One possibility would be to bundle decisions about agencies, requiring different political parties and interest groups to engage in concertation with one another about packages, much the way that is done in many legislative (e.g. budget) debates, except that this kind of concertation would involve institutions and their basic missions, scope, and authority. This would not solve all of the problems of misalignment, overlap, and such, but it would focus attention away from fragmented incremental decisions into packages of inter-related decisions. There are potential downsides to such bundling, as it could equally tie up decisions about governance into opportunistic political trade-offs and hostage-taking, and thereby introduce new types of dysfunction into the system. So, it might be better in some political systems to use the consolidated review only as an informational device, while maintaining staggered decision-making over agency creation and scope. The regular, periodic review would at least shed light retrospectively on whether decision-makers heeded the information that was available to them and to the public. This kind of review would be the equivalent of *ex ante* conditionality for governing, but rather than operating at the project or individual action scale, it would fix the

roles and performance of agencies in relation to one other—adjust the division of labor, in other words.

Moreover, if a large-scale periodic debate over governance is created in a formal, organized way, then the reality of unequal power to influence it must be raised: who really governs has never been equal to the formal organizational landscape of governance agencies (DAHL, 1961). Certain underprivileged groups in society sometimes manage to organize at a very local scale to influence decision-making, but they rarely have the resources to influence large-scale public policy, which is the favorite target of well-moneyed and well-organized interests. Any move to regularly review the configuration of agencies and interests would provide an opportunity to compensate this imbalance in power, with more and better formal support for participation than now exists, and monitoring of who is at the table and whether they are being heard.

For the related problem of local bundling, a specific problem opens up. The very slow rate of change of the built environment makes it difficult to adjust the things that are bundled with one another, i.e. to change the possible combinations of attributes that we can get. Evolution of technology, architecture, infrastructure, and so on, however, do alter what can be bundled together and what can be separated. Do we want more schools with less housing? More of both and more density? More public activity and noisier streets or less street life and quieter streets? In the best of cases today, these choices are presented one-by-one, without informing the public that there are different—possibly new and creative—ways to bundle them territorially. Thus, a sixth instrument is to use the information and mapping tools referred to above to envision different bundles of urban land (public and private) alternatives, to map them, graphically and visually represent them, show them in evolution and motion to the public, and hence to have a transparent public debate about *bundling choices*.

There are two essential additional points about this proposal to underscore here. First, the review of governance should not be merely procedural, but substance-driven. It should focus on (a) principal-agent re-alignments; (b) how well tinkering is doing with respect to underlying legitimate differences in wants and needs; and to (c) their distributions; and (d) whether governance tinkering is attentive to a good mix of efficiency in relation to social and spatial distributions of preferences and outcomes. All these substantive concerns would feed into the overall *ex ante* conditionality for the next round of agency reviews and adjustments of the division of labor in governance. Second, any such proposal as this can have a serious perverse incentive built into it. If agencies know they are being reviewed, they tend to increase the resources they devote to self-perpetuation. And if they are asked to participate in their own benchmarking, this creates a potentially serious opportunity cost with respect to their basic mission; the resources and attention devoted to benchmarking can arguably crowd out the core mission (FAUCHER-KING and LEGALÈS, 2010). In order to prevent benchmarking from becoming an all-consuming practice of agencies, it seems prudent to have it carried out principally by outsiders, with strict parameters on the time and resources devoted to it, but of course with robust procedures for giving the agencies their right to articulate and defend who they are and what they do.

CONCLUSION: GOVERNANCE WILL ALWAYS BE IMPERFECT AND MESSY, BUT SOCIAL CHOICE CAN BE ENHANCED

This proposal, to open up the black box of governance to the principals and their agents, is likely to encounter skepticism. Could a process of transparent institutional design ever be understood by, or even interest, the public or the political classes? Such a view fits in

with long-standing skepticism in academic theory about the notion that there can be large-scale social choices. SEN (2009) argues that the fact that we can never find perfect, optimal solutions to social choice problems does not mean that no *reasonably satisfactory* solutions can ever be found, via what he calls ‘messy’ social choice processes. The proposal here is for a messy social choice process in the area of metropolitan governance. Sen also argues that the process itself has an intrinsic value, in that it creates a dialogic interchange of information, participation, and clarification of what the principals want, and helps clarify the trade-offs they are willing to accept.

Moreover, the possibility for engaging in a social choice process around metropolitan governance has been greatly strengthened by technological progress. Smart city technologies—the merging of the physical city, the interaction city and the digital city—will not automatically solve governance problems, but they do create technological tools for the mapping, auditing, evaluating, and reviewing we have advocated. These tools offer the possibility of generating high-quality inputs to a potential social choice process at much lower cost than has hitherto been possible. Harnessing these informational tools in the interest of advancing social choice, with its twin dimensions of efficiency and justice, has become a realistic option.

The pessimists on the Right will tend to argue that this process will not solve their concerns with red tape and inefficiency and might even give new voice to costly complexity. The pessimists on the Left will tend to argue that this process cannot eliminate all of the problems of power, injustice, and segregation that metropolitan governance sometimes actually reinforces. It would be naïve to think that the proposal made here could ever completely resolve the inherent difficulties in satisfying preferences and achieving efficiency in metropolitan governance, or that it could do away with all injustice generated by real world governance and completely level the playing field between the powerful and the less powerful. Along these lines, SEN (2009) defends his call for a messy and not-necessarily optimal process of social choice, by reminding us that the perfect is the enemy of the good in seeking justice through enhanced social choice procedures.

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NOTES

1. A notable exception to the worry about too much fragmentation is OSTROM (1973), who argued that American public administration was becoming insufficiently polycentric. See below in this paper for more discussion of public choice models.
2. Reflected in much higher levels of positive and negative externalities than in the society or territory of a nation as a whole.
3. See ‘Yachay The city of knowledge in Ecuador’ a promotional video about the project here: <http://www.youtube.com/watch?v=fab8oAI2TPA> (accessed on 1 October 2013).
4. The French term ‘bricolage’ refers to something like doing things iterative and getting-along, when it is used to describe something other than do-it-yourself home improvement. The nearest English equivalent is ‘tinkering’, but *bricolage* has more of a sense of purposefulness, whereas tinkering can be either light-hearted or seriously purposeful. In order not to use too much French in this paper, we will employ tinkering and *bricolage* interchangeably to mean purposeful tinkering and iterative problem-solving.
5. Organizational sociologists have thought about what they call ‘organizational fields’, which are ensembles of purposeful practices that are located in many different organizations, rather than under a single hierarchical authority. The debate centers around how much heterogeneity can be present for an organizational field to function properly, and what forces tie together diverse

organizations into a more or less functional whole. DiMAGGIO and POWELL (1983) argue that considerable collective rationality can be generated by these complex, diversified organizational assemblages, but that this is not necessarily the case. Metropolitan governance would seem to be a good case of an organizational field in this sense.

6. But there are occasional attempts to deal with the fiscal alignment problem. In 2013, the French legislature voted to create an 'urban agglomeration' consisting of the central city (municipality) of Paris and several surrounding municipalities, with partial fiscal harmonization. Attempts at doing this for the entire metropolitan area of greater Paris, however, were rejected.
7. In spite of a couple of decades of claims that such networks would somehow solve regional problems better than a pastiche of local ones, there is no large-scale validation of such claims (SAFFORD, 2009).
8. France, 2012.
9. To be specific, what is known in France as the 'fonction publique territoriale'.

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