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EQUITY AND URBAN SERVICE DISTRIBUTION

Module 1

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DIVISION OF URBAN AND ENVIRONMENTAL PLANNING,
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CHAPTER 1. THE PARADOX OF URBAN SERVICE DISTRIBUTION: THE ROUTINE AND THE MYSTERIOUS

The provision of most local public services involves a paradox. Most services are routine. Nearly everyone is familiar with them - police, fire, refuse collection, water, parks, recreation, libraries, sewage disposal, bus service. Yet little is **known**- by citizens, by elected officials, even by administrators and **planners**- about who gets how much of them. Deciding who gets what is the essence of politics. The provision of services to people is the essence of administration. But administrators rarely systematically analyze who gets how much of the services they distribute. Instead, they use decision rules that seem reasonable to routinize service distribution. These rules emerge from professional standards, from history and custom, from the pursuit of efficiency, from aspirations for effectiveness. What are the consequences of these decision rules? Who benefits from the services, taken singly and cumulatively, that are distributed routinely in urban areas? Is this service distribution pattern fair? Is it equitable?

Once the issue shifts to equity and away from routine service distribution, the seemingly familiar gives way to the obviously mysterious. Who, after all, is to determine what is equitable? Since equity involves individual value judgments, it is an essentially political question. Therefore, shouldn't issues of equity be decided by elected officials and shouldn't these issues be debated and fought over during election campaigns? Though equity may involve individual values and politics and be the appropriate province of elected officials, the tendency seems to be that service distribution decisions are dominated by administrators. Not only are these **value-laden** issues dominated by administrators, but it is the specialist administrators- the police chief, the sanitation commissioner, the parks director, the library director, the fire chief, the highway engineer, the water system **manager**- and not the generalist administrators- city managers, mayors, chief administrative officers, planning directors, budget directors- who more often than not are preeminent in making service distribution decisions.

What are the alternatives administrators should consider in deciding whether a service distribution pattern is equitable? What are the main conceptions of equity? How are decision rules related to service distribution patterns? How should service distribution be measured and analyzed? What difference does methodology make in enhancing judgments about what is equitable? In addition to trying to decide what is equitable, shouldn't administrators and elected officials at least know what is constitutional?

These are some of the questions that are examined in this book. The objective of our discussion of these questions is an attempt to make equity a concept that administrators and other local officials can use in practicing their craft, just as they use the concepts of efficiency, effectiveness,

and accountability. In the remainder of this introduction, we will look briefly at the content of each chapter and give further consideration to why administrators, elected officials, and citizens should be concerned about whether service distribution is equitable.

Conceptions of Equity

Every service distribution pattern reflects a conception of equity. The conception of equity may be unarticulated. Nevertheless, it will be manifested in decision rules, in routine procedures for distributing services. In interviewing local government officials, we have found that two conceptions of equity were most frequently mentioned. The first is that everyone should receive equal services. The second is that local officials should respond to demands. When the questioning probed behind these general responses, a number of interesting complications became apparent. In many instances, equal service distribution per capita is a vague goal, often inappropriate, frequently modified by circumstances, rather than an operating procedure. In some instances, services explicitly are distributed unequally per capita, even when administrators' top-of-the-head response is that equal per capita service distribution is the department's operating norm. In some instances, equal service distribution is proclaimed, though in fact administrators do not know whether services are equally distributed.

At times, inconsistencies between distributing services equally per capita and responding **to demands** were not recognized by administrators we interviewed. If recognized, sometimes no way was found to overcome inconsistencies. For example, in Fairfax County, Virginia, requests for parks from each of eight districts in the county are **accommodated** without regard to relative need among districts. However, most projects within each district are selected based on moving toward a standard of at least 8.5 acres of community parks per 1,000 people. The justification is that each of these eight districts must get a relatively equal share of each bond issue in order to maximize the chances for voter approval. In Atlanta, one impediment to implementing the goal of equal park service in every neighborhood, according to park administrators, is that residents of developed neighborhoods usually resist having *new* parks located nearby. That is, residents demand that new parks not be located where doing so would tend to equalize park distribution. 1

Need is a third conception of equity that **commonly** is used for certain services. The argument is that as needs vary, services also should vary. For example, police patrol manpower often is distributed according to some criterion of need (crime rates). Sometimes, variation in street cleanliness is used as a basis for varying frequency of street cleaning service. In each instance, the conditions the service is intended to improve are used as indicators of need for the service.

Preference represents a fourth conception of equity. This notion of equity assumes that consumer preferences should determine the quantity and quality of services that local governments provide. Preferences differ from demands in that they include unarticulated demands as well as those that are expressed. Unarticulated demands must be elicited. The information costs therefore are high. This makes preference less practical and less used as a conception of equity than equality, need, and demand.

The fifth conception of equity is that willingness-to-pay should determine service distribution. Choice is regarded as the best guide to preference and choices are thought to be most meaningful when services are paid for directly. User charges and special assessment financing implement the willingness-to-pay concept of equity. Since willingness-to-pay is related to ability to pay, the implication for service distribution is that relatively well-off persons are likely to obtain more of the service provided in this way.

These equity concepts are examined in Chapter 2. We indicate a number of problems associated with each conception of equity and discuss the consequences for service distribution of relying upon one standard of equity rather than another.

Conceptions of equity are implemented, explicitly or implicitly, through decision rules. Decision rules are rules-of-thumb, routine procedures, customary practices that determine how most operating and capital expenditures are made. Decision rules have consequences for the distribution patterns for each service. The role and findings about the consequences of decision rules are discussed in Chapter 3. In this chapter, we suggest how the use of technical-rational criteria in municipal departments can have adverse consequences for certain groups. Although there may be no intent to discriminate on the basis of race and wealth, reliance on decision rules to guide distributional policy and to resolve distributional issues may ensure that some neighborhoods receive higher service levels than others. A few examples will indicate the effects that decision rules have.

In Atlanta, the decision rule used in determining street cleaning schedules is that every residential street should be swept once in two weeks or once in three weeks, based on a one-time evaluation made more than a year earlier. In Richmond, Virginia, the decision rule is: Vary street cleaning frequency from once a week to once every three months, depending on how dirty the streets are based on periodic evaluations of street cleanliness.

In allocating police personnel, patrolmen commonly are distributed in proportion to calls for service. In earlier periods (and still in some places today), the decision rule has been to assign the same number of patrolmen to each patrol district, regardless of the number of calls for service.

Service Effectiveness

Administrators should evaluate services in terms of their achievement of service objectives. Varying degrees of achievement of service objectives suggest whether services are more, or less, effective. Judgments about service effectiveness should be made cautiously, because conditions often are influenced by events other than those involving the service itself. But one aspect of assessing service effectiveness is clear. It is not adequate to determine **community-wide** arrest rates, library circulation rates, street cleanliness conditions, mean water pressure at the tap, response time to fires, and the number of residences more than an acceptable distance from a park. It is not acceptable to have variation among service districts of: 10 percent to 70 percent for arrest rates for burglaries, library circulation of one book per capita per year to twenty books per capita year, some neighborhoods with clean streets and others with dirty streets, a three-to-one variation in

water pressure, three minute fire response time in one district and ten minute response time in another district, and no one exceeding an acceptable distance from parks in one neighborhood and 50 percent of the residents exceeding that distance in another neighborhood.

Effectiveness in resource utilization cannot be achieved unless there are service goals. Goals involve notions of equity. What should be done and how requires that decisions be made about who will benefit. What are the goals of the police department? Should crime rates be equal in all parts of the city? Should resources be distributed so that every citizen has an equal chance of being the victim of a crime? Should more patrol manpower be assigned to high need neighborhoods?

Is it the goal of the solid waste department to pick up the garbage twice a week from every residence regardless of the expense and effort involved or is the goal the equalization of input of resources across neighborhoods, clean streets and sidewalks, satisfied citizens, or reduced health hazards?

Geographic distribution is an integral part of service effectiveness. Administrators should analyze service distribution as a basis for estimating effectiveness and to provide a basis for making judgments about service equity. Methods for analyzing service distribution are presented in Chapter 4. Several examples are provided to assist public officials in using distributional data to make policy changes and to assess the extent to which a particular pattern of service distribution is equitable.

The essence of the methodology proposed is **that** multiple indicators of service distribution should be used. A framework should be used that encourages attention to the entire service delivery process. The framework proposed here uses four categories to analyze service distribution. These categories are resources, activities, results, and impacts. The first three categories have the greatest usefulness. Impact **indicators are** more interesting to **social scientists** than to government officials, because analysis of impacts requires more time, money, and controlled conditions than administrators are able to **command**. Often the analysis of service distribution has relied upon resource **indicators**—expenditures and personnel in particular. In Chapter 4, the argument is made that indicators of service activities and results also should be stressed. In fact, service analysis that depends upon resource indicators may be seriously misleading.

The Political Dimensions of Service Distribution

The close interaction between politics and administration is apparent when service distribution decision-making is analyzed. Elected officials share in some of the major decisions—budget decisions primarily. They also participate in some details—primarily responding to constituents' complaints about services. However, administrators dominate the heart of distributional decision-making. They determine most of the decision rules by which services will be routinely distributed. Still, it is accurate to say that service distribution decisions tend to evolve and drift rather than to be confronted and debated. Why?

One reason is that decision-makers usually do not have an adequate description of how any service is distributed. Systematic analysis, such as that proposed here, rarely is conducted. Deficiencies in information and analysis inhibit administrators and elected officials from thinking carefully about the consequences of distributional decisions.

A second reason concerns the function of decision rules. Decision rules are intended to reduce controversy and enshrine routine. They are designed to replace "politics" with "administration." Decision rules evolve from the history of the organization, the preferences of individual administrators, and, sometimes, the influence of national professional organizations and state or federal government agencies. The objective of these decision rules is likely to be efficiency or effectiveness. The distributional implications of the decision rules may not be stressed. Equity issues may not be explicitly considered.

A third reason for drift in distributional decision-making is that generalist administrators, such as mayors, city managers, budget directors, and planners, tend to be left out, even locked out, of many decisions about service distribution that are made in operating departments. The shortage of managers' time in relation to demands for their time accounts for part of their abstinence from making service distribution decisions. Expectations by generalists about specialists' expertise accounts for another portion of departmental autonomy. In Atlanta, for example, the chief administrative officer, to whom nearly all department heads reported, said that distribution "decisions are up to the department heads. They're experts; that's why they are hired. If I knew enough to make those decisions, then I wouldn't need them." He abstained from distributional decisions because a) he lacked expertise, b) he was engaged primarily in crisis management, and c) service distribution crises had not occurred during his tenure. But even given the will and a set of norms encouraging generalist managers, planners, and elected officials to participate in distributional decisions, they still will be locked out of many decisions unless they have access to information about service distribution and unless they can identify the decision rules employed and make inferences about the distributional effects of these rules. Newcomers, whether elected or appointed, will have a particularly difficult time. Gross service disparities may be perpetuated without executives being aware of them. A few years ago, the Mayor of Syracuse was surprised to learn that refuse was collected at most residences at the curb, but that in some neighborhoods, refuse collections were made at the side of residences. Consequently, refuse collection involved greater effort and inconvenience for some citizens than for others. During a fiscal crisis, refuse collection locations were equalized. By that time, the mayor had been in office more than one year. Rarely are distributional issues so clear. Often detailed knowledge is required to make an informed judgment. To facilitate government generalists' participation in distributional decision-making, systematic analysis is needed of service distribution patterns and the decision rules that lead to these patterns.²

Another political dimension of service distribution involves citizen participation. Much of the urban turmoil of the 1960's stemmed from the belief by ghetto residents that they were discriminated against in the provision of services by local governments. Participation mechanisms, instituted in federal legislation in the anti-poverty program and the model cities program, reflected the goal of creating interest groups to lobby for a fair share of urban services for poor neighborhoods. Many federal programs require

citizen participation. To implement the Housing and Community Development Act of 1974, for example, one of the acceptable formats involves an advisory group on which citizens are represented. This group participates in shaping annual project priorities to be funded under the Act.

Each of these arenas of citizen participation has functioned amid controversy and frustration. Conflict and negotiation are inherent in citizen participation processes. But there has been more cause for frustration than the process of citizen participation itself requires.

One cause of frustration is particularly applicable to requirements for citizen participation in local decisions about allocating funds made available to **communities** under the federal Housing and Community Development Act of 1974. Citizens may participate in deciding what projects should be financed with **community** development funds. Decisions are made about specific locations. For example, decisions are made about whether parks and playgrounds, sanitary sewer lines, street improvements, side-walks, and recreation centers should be located in one neighborhood- and at specific places- or in another neighborhood. Public officials may be accustomed to making these decisions without careful analysis of distributional priorities. The requirement for citizen participation in making these decisions increases the importance of service distribution analysis. These decisions would be enriched by information about service distribution patterns. However, systematic distributional information often is not available.

A final point of political significance stems from the financial problems which many local governments have experienced during the 1970's. The expansion of local services in the 1950's and 1960's has slowed in the 1970's. In some places, old and large central cities in particular, such as New York, Detroit, and Cleveland, local services have been retrenched. When services are static or declining in quantity and quality, fairness in their distribution becomes more important than when there is a service surplus with which to satisfy new demands. If retrenchment is necessary, the fairness of the retrenchment should be considered. Equity will be more salient in a period of scarcity. Winners and losers will become more evident and more aware of what they are winning and losing. Fairness in service reduction is most likely to be achieved using systematic service distribution data to provide perspective for difficult decisions.

Legal Challenges and Requirements

Interest in service distribution was accelerated when the courts barred severe service discrimination on the basis of race. The landmark case was Hawkins v. Town of Shaw, decided by the U.S. 5th Circuit Court of Appeals in 1972. In the town of Shaw, black neighborhoods, in comparison with white neighborhoods, suffered extreme disparities in regard to paved streets, water and sewer lines, street lights, and other services. Hawkins v. Town of Shaw prohibited severe inequalities which are explicitly related to racially segregated neighborhoods. How severe the inequalities must be and how explicitly these inequalities must be related to segregated housing patterns were ambiguous in the Hawkins decision and have become more so as a consequence of the U.S. Supreme Court decision in Washington v. Davis in 1976. Legal issues are examined in Chapter 5.

Service distribution decisions permit many subtleties which may escape judicial scrutiny, even though their effects may be discriminatory. It is not sufficient, for example, for service inequalities to be substantial. Service inequalities also must follow racial lines and be intended to be racially discriminatory. Poverty related service inequalities, for example, are not unconstitutional. The financing and daily provision of services also can be manipulated for a variety of purposes, including discriminatory purposes. Special assessment financing, for example, puts a premium on wealth. Those who lack sufficient wealth and willingness-to-pay may have to do without those services financed with special assessments, such as paved streets, sidewalks, and water and sewer lines. Daily administrative discretion also can be exercised in a discriminatory fashion. A courtroom colloquy between the defense attorney for a small southern municipality, which had been charged with creating racially motivated service disparities, and a black housewife illustrates the possibilities. The defense attorney demanded to know if the witness was suggesting that the community's fire-fighters responded more slowly to calls for service in black neighborhoods than in white neighborhoods. "Oh no," the woman responded. "They always come fast and they always leave us the chimney."

Many of the lawsuits involving service distribution have been brought against small **communities** in the South. These suits relied on the equal protection clause of the 14th Amendment to the Constitution. Suits also have been brought in New York City, Washington, D.C., Fairfax County, Virginia, Mobile, and Houston. In Mobile and Houston, alleged service distribution disparities were used as supplementary arguments in which the main purpose was to persuade the court to declare at-large systems of electing city council members unconstitutional and to require the election of council members from districts. These suits were based partially on the Voting Rights Act of 1965.

Additional challenges to service distribution patterns have been based on the non-discrimination provisions of the State and Local Assistance Act of 1972 (general revenue sharing). Several lawsuits of this type have been brought by the Lawyers' Committees for Civil Rights. Provisions of the Housing and Community Development Act of 1974 also could plausibly be used for some challenges to service distribution patterns. In cases directly involving federal funds, plaintiffs may seek to prevent the use of the federal funds until the court case has been fully resolved. Use of general revenue sharing funds was prohibited in Chicago, pending resolution of a suit involving alleged hiring discrimination in the city police department. Injunctions also have been obtained in suits against small communities in Mississippi, temporarily preventing the expenditure of general revenue sharing funds. Thus, three types of legal challenges can face **communities** involving service **distribution-** one focusing on constitutional equal protection violations, a second stressing voting rights violations, and a third based on statutory non-discrimination requirements in the use of revenue sharing funds.

The potential threat of lawsuits is another reason for local governments to identify their service distribution patterns. Action to correct disparities is likely to be taken by the courts as a sign of good faith effort, should a legal challenge arise. Available legal remedies may be sought with greater frequency by deprived groups. Judicial mandates to reallocate resources may involve ~~the~~ expenditure of large sums of money to correct service disparities. The intricacies of legal doctrine in this area make it imperative that public

officials be informed about the constitutionality of service distribution patterns. In the absence of information about how public services are distributed, a particular city may be required to spend a great deal of money in a short period of time simply to defend itself against charges that it discriminates on the basis of race in service provision. A concern with equity in service distribution represents good economics. As Merget and Wolff **observe**, "Because of judicial decisions the call for an equitable distribution of public services is no longer merely a political slogan: it ranks as a legitimate, **constitutionally** based assertion that local officials must **address**."³

The chapter on legal issues is the only chapter in which **interjurisdictional** equity is discussed. Comparisons of one jurisdiction with other jurisdictions involve **methodological problems** and value considerations that are beyond the scope of our work here.

The Roles of Elected Officials and Generalists

Decisions about the distribution of services are routine decisions. They lack the salience of more dramatic, crisis-oriented public issues. Citizens and elected officials are concerned with, and pay attention to, proposed tax increases, zoning laws, the hiring or firing of the police chief, strikes by public employees, projected revenue shortfalls, rising crime rates, disciplinary problems in the schools, and possible service cutbacks. However, it is difficult to get excited about how new library books are distributed among branch libraries, how police patrol manpower is assigned, and how the garbage is collected.

Generalists (mayors, councilmen, city managers, budget directors, planners) have not sufficiently recognized and accepted the need to monitor and evaluate distributional decisions and patterns. Several reasons probably account for this attitude. It may be assumed that across neighborhood disparities in the provision of services are not great and that elaborate data collection and analysis procedures are not necessary to determine who is getting what. Generalists sometimes believe that they know how services are distributed. Often, these impressions will be grossly misleading. The empirical evidence from studies of a number of large cities strongly suggests that impressions about how resources are allocated are likely to be wrong.

Public officials also may not believe that differences in neighborhood service levels are particularly important. It is hard to see how 10 percent fewer books at a neighborhood branch library will have a significant impact upon the quality of life of the residents. In the absence of widespread citizen complaints about service disparities, the generalist will focus his attention on more pressing issues. It is true that it may not make a great deal of difference if one neighborhood has slightly better access to public library facilities or if its streets are less rough than another neighborhood's. However, the cumulative impact of even moderate differences in service levels may be significant.

If a particular neighborhood gets fewer scheduled garbage pick-ups per week than other neighborhoods, if it receives one or two fewer parks and playgrounds, if it is assigned fewer police patrolmen and has a higher crime

rate, if the books in the local branch library are not responsive to reader preferences, if police responsiveness to requests for assistance is slower, if neighborhood streets are rougher and requests for maintenance and repair are ignored, if teachers in the schools are poorly trained and motivated, if teacher/pupil ratios are higher and the condition of the physical plant is inferior, if sewer and drainage systems are less effective, if water pressure is lower, and if it receives fewer fire hydrants, the cumulative impact in dollar terms and in terms of the difference it makes in the safety, convenience and well-being of the residents becomes significant.

What Should the Role of Generalists Be?

For a variety of reasons, decisions about service distribution are made within municipal service departments rather than by generalists. Administrators rely upon decision rules to make distributional choices. The consequences of **the rule** depend upon the service and the rule **employed**. Often, the consequences of the rule may not be known. The emphasis is upon the process of distributing services rather than upon evaluating the implications for equity in resource allocation.

In the absence of direction and broad guidelines from generalists, the administrator will have to establish goals for his agency and implement, at least implicitly, a particular conception of equity. The police department will decide whether resources should be allocated on the basis of need (crime rates), demand (calls for service), or equality. Choices will have to be made from among a number of possible alternatives. Should resources be allocated in such a way that an effort is made to insure that each citizen has an equal opportunity of being victimized? Should the service function be given priority over the crime prevention and investigation function? If generalists fail to establish policy guidelines, the library administrator will decide whether library services should be distributed on the basis of demand (circulation rates), equality, preference, or need. The streets department will have to decide whether to schedule maintenance activities on the basis of periodic inspections of neighborhood streets or on the basis of citizen complaints about needed repairs. In order to make these choices, administrators will rely upon their training, personal values, and the norms of their profession.

The generalist may occasionally intervene in the distributional process by responding to citizen and group complaints about the need for an additional playground, inadequate facilities at the neighborhood park, not enough police protection, and potholes in residential streets. Reliance upon citizen complaints may not provide the best means available to gather information on service distribution patterns. Some citizens are more critical than others in their evaluation of service quality. Because one neighborhood transmits a large number of complaints to public officials about the lack of services, or the inadequacy of existing services, does not mean that the residents are receiving fewer or poorer services than other neighborhoods. Rather, the residents of the neighborhood may be more likely than other citizens to become irritated by potholes in the street and trash left after weekly garbage pickups. They may also feel that a letter or phone call to city hall about a service grievance, attendance at city council meetings, or membership in a neighborhood organization will result in better service. Residents of other

neighborhoods may make fewer complaints even though the services available may be no better and, in fact, may be worse. The citizens may simply feel less efficacious. They may not know where or how to complain about service problems and they may believe that a complaint would not do any good.

Generalists should establish procedures that would allow them to periodically review distributional decisions and patterns. Without data on the distribution of resources, activities, and results it is impossible to determine how services are distributed and how the distributional pattern can be changed. Generalists could require that individual departments collect information on resources, activities, and results. These distributional data could be reported on an annual basis along with the departmental budget. This would allow public officials to determine how services are distributed across neighborhoods and to make any changes in distributional policy.

Generalists should also evaluate the decision rules employed by municipal service departments. An analysis of decision rules, in conjunction with data on resources, activities, and results, will aid the generalists in gaining an understanding of the distributional implications of particular rules. On the basis of this information, the generalist may decide to direct changes in the rules employed in order to change the pattern of service distribution. The generalist needs information on both decision rules and the pattern of service distribution to evaluate equity in distribution and to make required changes.

Conclusion

George R. Schrader, City Manager of Dallas, observes that "The ultimate solutions to the problems involved in equitable service delivery are not easy ones, for the objective is elusive. . . . It is an issue that looms as perhaps one of the most formidable, thorniest, and most pressing concerns that will confront the urban management profession in the near future." He goes on to say that,

. . . to permit these questions to be answered only in the arena of the courthouse is to admit and to accept failure on our part as managers and administrators. The issue of equity needs to be approached with the same determination and deliberation with which we approach all funding decisions. It will play a determining role in most of our future actions involving budget, personnel, program expansion, and citizen satisfaction. It must become an integral part of our planning processes. The development of management service programs should address equity concerns with the same emphasis with which we address aspects of economy and effectiveness. . . . To allow this opportunity to pass beyond us and to opt for legal remedies rather than responsive management is to shortchange our profession and our charge as public administrators. 4

The purpose of this book is to show administrators and students how the concepts of equity and service distribution can be useful in local government planning and management. Efficiency and effectiveness are traditional goals of public administration. Methods have been developed to make these goals operationally useful. Equity is espoused, but its meaning is obscure. The undoubted importance of equity makes its meaning worth searching for. Equity will be a more useful concept if its several meanings are recognized and if administrators, and others, try to select carefully the particular conception of equity most appropriate to their service, circumstance, and values. This is a necessary first step. The key to operationalizing equity, however, is to develop methods to analyze service distribution and to identify the decision rules whose use leads to a particular pattern of service distribution. Concepts of equity, decision rules, and service distribution patterns then can be related to each other, debated, weighed, and reevaluated. Through this interaction, local officials can decide whether to change any, or each, aspect of the service distribution network-the dominant conception of equity, the decision rules, and/or the service distribution pattern.

FOOTNOTES

1. References in this chapter to **decision** rules and processes used in **various** communities are based on interviews with local government officials conducted by the authors.

2. The handbooks that accompany this publication, by the same authors, deal with **police**, solid waste **collection**, **libraries**, and parks and recreation. They examine decision rules and service distribution **information** systems in detail for these services.

3. Astrid E. Merget and **William M. Wolff Jr.**, "The Law and Municipal **Services: Implementing Equity**," Public Management **58** (August, 1976), 2-8.

4. George R. Schrader, Public Management, **58** (August, 1976).

QUESTIONS

In reflecting on this introduction to equity and urban service distribution, and in reading the chapters that follow, these are some questions to which answers should be found:

1. How much do urban managers know about the service distribution pattern in their communities?
2. How should service **distribution** be measured and analyzed?
3. What are **decision** rules, how are they used, and what influence do they have on service distribution?
4. What are some of the important conceptions of equity which urban managers should consider?
5. How can conceptions of equity be related to indicators of service distribution?
6. What is the relationship between **conceptions** of equity and **decision** rules?
7. Why is geographic service distribution analysis important in analyzing the effectiveness of local public services?
 - a. Instead of being decided, why do service distribution patterns often evolve and drift?
9. What **role** do elected officials and urban managers have in making distributional decisions?
10. What would adequate service distribution information add to the process of citizen **participation** in local government?
11. What **did** the court decision in Hawkins v. Town of Shaw do?
12. What **constitutional** provisions and federal statutes have provided the basis for legal challenges to service distribution?

CHAPTER 2. EQUITY AND SERVICE DISTRIBUTION

Several goals are sought by public officials when they consider how government services should be allocated. Three of these goals are efficiency, effectiveness, and equity. Each of these goals is abstract, subject to differing interpretations, difficult to define. However, we can define them sufficiently to distinguish them from each other. Efficiency concerns achieving results at least cost. Of two methods, the one achieving the result sought at the least **cost** is the most efficient. The goal of effectiveness focuses **on** results. The **most** effective program is the **one** that achieves **the** most of the results sought. Cost considerations are secondary. In practice, therefore, administrators try to balance considerations of efficiency and effectiveness.

Equity concerns who gets what. It involves fairness and justice. Is the distribution of benefits in society fair? **Do** the recipients of government services get the type of services they should receive' in the amounts and the quality that are appropriate? Are public officials responsive to all citizens in all parts of the jurisdiction? Do some citizens get responded to in ways that differ **from** the responses others receive? Are services similarly effective in all parts of the jurisdiction? If not, is there a reasonable justification for differences in service effectiveness?

We are concerned with how **the** concept of equity can be used by local public officials in their deliberations about service distribution. We are concerned primarily with the services that nearly everyone uses, directly or indirectly. These are services like police and fire, solid waste **collec-**tion, water supply, streets, libraries, and parks and recreation. The analysis of who gets what can be conducted most usefully by local government officials in geographic terms. What is the geographic distribution of services and is that distribution appropriate? Other approaches to equity analysis may be conceptually sound, but geographic **analysis, we believe, is** most practical for public administrators to use. The **discussion in** ensuing chapters embodies this geographic **approach**.

In this chapter, we examine five conceptions of equity--equity as **equality**, equity based on need, equity based on demand, equity based on preference, and equity based on willingness-to-pay. **Our** main concern is to clarify the implications of basing local service distribution decisions on one, or another, of these equity concepts. What are the likely consequences of basing decisions about where to locate public parks, how to distribute police manpower, and how to allocate funds to purchase new library books on one, or another, of these five conceptions of equity? Our aim is to help local public officials and citizens be self-consciously aware of the distributional implications of equity alternatives.

Equity as Equality

One important equity concept is that services should be distributed equally. Equal distribution has several meanings. These meanings have three dimensions. One dimension involves units of analysis. The second involves the range of permissible variation. The third dimension involves **indicators** of services.

1. Units of analysis.

We are concerned with **two** units of analysis. The first **unit** of analysis is the household. Some **services** are supplied **directly** to households. Examples are solid waste collection and water supply. Data can be gathered on the service that households receive in one neighborhood and **compared with the** service that households **receive** in another neighborhood. For example, an analyst may **find** that the frequency of solid waste collection at households in **Neighborhood A is** the same as the frequency in **Neighborhood B**. The meaning of equal service distribution, in this instance, is that **households** in one neighborhood receive services equal to those in other neighborhoods.

The second unit of analysis **is** the neighborhood or service district. Some services are not supplied to households. Instead, they are made available to neighborhoods or service districts. For example, a fire **station is** located to serve a district **within a service** radius. A park is intended, **primarily,** to serve **residents** for some distance on all sites. Neighborhoods can be compared with each other in terms of the adequacy of these **services**. Households **within** each neighborhood, however, will be varying distances from each park and **fire** station. The meaning of equal service **distribution** for parks **is** that each neighborhood has the same number of acres of parkland for every 1,000 residents.

2. Range of permissible variation.

Equal service distribution may refer to precise equality or to **differences** within a range of permissible variation. The example used above for frequency of solid waste collection is an instance where strict equality **is** possible. Solid waste may be **collected** from each household in each neighborhood exactly **two** times per week--no more, no less. It **is unlikely,** however, that each **neighborhood** will have exactly 10 acres of parkland for each 1,000 residents. It is also **unlikely** that the **time** it takes for the first **fire truck to** reach a **fire** after a call for service is **received** will be exactly three and one-half **minutes** in every **neighborhood**. Instead, an equal **distribution** of parkland and fire response time **may** mean that the **differences** among neighborhoods are limited--are **within** some **permissible** range of **variation**. An extension of **this** notion is that each neighborhood should be served at least at some minimum acceptable standard. For example, perhaps local public officials have set a goal of **serving** each neighborhood with at least 8 acres of parkland for each 1,000 residents. These **officials** may think of **neighborhoods** as having equal park land, once this standard is reached, even though some neighborhoods may have far more than the amount called for by the minimum standard. Under this notion of equal **service** distribution what is meant is that a minimum standard is reached or exceeded, not that services really are equal.

3. Indicators of services.

Equal service distribution is meaningful only in the context of indicators for measuring services. Services cannot be compared for equality in the abstract. Indicators must be selected. Chapter 4 is devoted to the presentation of a framework for analyzing service distribution. In that chapter, three categories of indicators are relied upon--indicators of resources, activities, and results. The difference between these categories can be illustrated with police services. One might analyze police distribution in terms of a) the number of police patrolmen per 1,000 neighborhood residents (a resource indicator); b) the average response time (the time from receipt of a call for service until the police officer's arrival at the scene) for each neighborhood (an activity indicator); or c) the clearance rate (the percentage of crimes cleared by the arrest of **someone** suspected of **committing** these crimes) for each neighborhood (a result indicator).

- . Equal service distribution could mean:
 - a. Equal numbers of police patrolmen per **1,000** residents;
 - b. Equal **response** time;
 - c. Equal clearance rates.

It is not important at this point for the reader to understand fully the distinction **between** indicators of resources, activities, and results. Our purpose here is to **emphasize** that the notion of equal service distribution is meaningful only in the context of specific indicators of service distribution. Because **indicators** measure different important aspects of service distribution, it is essential to use a multiple indicators approach to service distribution analysis.

Inconsistency **Between Equality** and Other **Equity Concepts**

The concept that equity requires equality is not easily reconciled with the concepts that **equity** should be based on need, demand, preference, or willingness-to-pay. To discuss these inconsistencies, each of these alternative equity concepts **must** be defined and briefly explained.

Need

Equity based on need assumes that some people have a greater need for public services than do other people and that these greater needs should **influence** the distribution of public services. How differing needs are identified is one complication with this equity concept. Another difficulty concerns how **large** differences in need should be before different levels of service are provided to deal with those needs. Some of the complications associated with need will be considered later at greater length.

At **this** point, it **is** sufficient to note that if needs vary and if services vary to some degree in relation to needs, then by definition services cannot be distributed equally. Thus, the notion that equity requires equality is inconsistent with the concept of equity based on need.

This statement of the inconsistency between equity as **equality** and need is too abrupt, however. There is potential for recognition of both the equality and need concepts of equity. One way to achieve this is through the permissible range of **variation** aspect of service equality discussed above. If **fire** response times *must* vary, and if park acreage per 1,000 persons *must* vary, then this variation can favor **persons** with greater needs. The notion of distributing services in order to achieve a level of **minimum** standards also permits variation in response to need. All neighborhoods can be **provided** with a minimum standard of parks, or libraries, or fire stations. However, some neighborhoods can be provided with services beyond this minimum standard. Those neighborhoods **receiving** more can be places where residents have greater needs. The apparent logical incompatibility between the equality and need concepts, therefore, is eroded by the range of permissible variation and the minimum standards aspects of service equality.

Demand

Equity based on demand means that **public** service distribution should be influenced by the explicit demands that people make for **services**. Demands can be expressed in several ways. Use of **facilities** (parks, libraries, buses, water, and so on) registers demand. Requests for services (a new park, playground swings, a paved street) express demands. Complaints about services (uncollected refuse, inconsiderate employees, inconvenient hours of operation) manifest demands. **Voting**, interest group activity, and **public** protests all communicate demands. Just as some people say they want more of a service, others say they want less, and some want the same amount but at a different level of quality. The distributional consequences of responding to demands will be discussed later.

At this point it is important to observe that equality is not **consistent** with demand-based equity, unless demands are equally distributed. Again, **variation** can be **accommodated** through the range of **permissible** variation and through the **minimum** standards aspect of service distribution. For example, all neighborhoods could be **provided** with services that meet a minimum standard. **Services** in excess of this **minimum** standard could be provided on the basis of demand.

The difficulty of reconciling equity based on demand with equity based on need also is apparent. The demand and need concepts of equity are consistent if those with greater needs express them as demands. **Whether** demands reflect needs accurately is an empirical question.

Preference

Another equity concept is that services should be based on preferences: Preferences include expressed and **unexpressed** wishes. An

unexpressed **wish still** can be a preference. People may feel like requesting *or* complaining without doing so. They may want to use public services but are deterred by lack of money or accessibility. They may want to use a park but fear for their safety. It seems probable a) that not all people in one neighborhood want the same package and level of services, and b) that not all neighborhoods want the same package or level of services. Thus, equality and preference as equity are difficult to reconcile. Unless all preferences are expressed as demands, then the preference and demand concepts of equity also are inconsistent. Preferences also may not match needs. For example, *need* for park services could be measured by the income characteristics of neighborhood residents. One could infer that poor people have less private yard space, less interior house space, less money for private recreation, and less mobility to recreation opportunities **outside** of the neighborhood. Therefore, one could assume that **residents** of poor neighborhoods have a greater need for neighborhood parks than do the residents of **richer** neighborhoods. There is no guarantee, however, that needs measured in this *or* in any other way will be manifested in matching preferences.

Willingness-To-Pay

Willingness-to-pay measures both the presence and intensity of demand. It requires that preferences be expressed and *at* the expression of preferences be weighed **in** the crucible of how much services *cost*. **Intensity** is taken into account because **expenditures** made once cannot be made for other goods or **services**. Thus, some argue that preferences and demands are most realistically represented when they are **expressed** through **willingness-to-pay** for **specific** services. Equity, in this view, should be based on the willingness of **consumers** of services to pay for them.

Willingness-to-pay, however, **is** related to ability-to-pay. Since ability-to-pay is not equally distributed, willingness-to-pay is not likely to be equally distributed either. Therefore, this equity concept is inconsistent with equity as equality. **Ability-to-pay** may also be diametrically opposed to equity based on need. **Willingness-to-pay** is a variation on demand and preference. Thus, there should be **similarities** between them. However, many people with unexpressed preferences may not be willing to **pay for** them. Also, many people who complain about, make requests for, and use **services** might not do so if **price** tags were attached to these **activities**.

The Purpose of Noting Inconsistencies Between Equity Concepts

Judgments about **equity require** judgments about values. Choices must be made. Among these choices are the conceptions of equity that seem most appropriate. One could approach the subject by choosing one conception **of** equity and trying to fit it to every circumstance. We believe that the role of local public **officials** is too complex to make such a simple, all-purpose choice work effectively as a guide to decision-making. Rather, we think that public **officials** will do better by balancing these **conceptions** of equity, by picking one or two to fit most circumstances, but

modifying them with other **conceptions** of equity under certain conditions. We have attempted to distinguish the conceptions of equity from each other. We will now consider some of the characteristics of, and problems with, the conceptions of equity based on need, demand, preference, and **willingness-to-pay**. At the end of this chapter we will suggest some general ways of using conceptions of equity to aid decision-making.

Equity Based on Need

The concept of need, as used here, refers to characteristics of people or conditions in society. Low income is such a characteristic. We think of low-income persons as having a greater need for most public services than better-off people because they have less potential for obtaining those services with private resources. In theory, it would be possible for all services that now are publicly provided to be **privately** provided in the future. Once this change is contemplated, it is easy to see that low-income persons would be deprived of more services that they previously enjoyed than would middle and upper income persons.

There also are specific indicators of need. Houses that are built with flammable materials and are close together create a condition of higher need for fire protection services than do houses that are less **flammable** and farther apart. The probability of the occurrence of fire is greater, in the first instance, as is the probability that the fire will spread *once* it breaks out. Furthermore, the potential for loss of life is greater. Although property values may be higher in the less dense area, potential **property** loss still may be less there because the potential for fire occurrence and spread is less. Therefore, conditions of **flammable** materials and houses located close together are specific indicators of need for fire protection.

It should be noted that need differs from preference. Preference is subjective. It is a matter of what individuals prefer. Need is objective. This does not mean, of course, that need is easily identified or that needs once identified can be compared readily. For example, it is difficult to compare the needs of one person **or** neighborhood with the needs of other persons *or* neighborhoods. **But** the concept does lend itself to outside judgment. A public official can decide that a certain variable, **such** as income, is a useful indicator of need and then use that variable as a partial guide to the distribution of a public service. However, even a general indicator of need (income, for example) should not be considered a good guide to **the** distribution of all services. One should also consider whether there are causal relationships between the condition of having low income and the nature of the public service. Will the goals of the service be better achieved by giving more of the service to some persons than to others?

It should also be emphasized that the concept of equity based on need is redistributive in nature. Equity based on need implies that the pre-existing distribution of benefits in society should be changed by government policy. It implies that the private distribution of resources is inadequate. We are accustomed to this concept with social welfare services.

Income maintenance programs, especially for the aged, **infirm**, and children, have long traditions. It seems less familiar to think of water supply, or police, or parks as services which also can be used to redistribute benefits to society. One could decide, of course, to use some services to redistribute benefits and to apply other equity concepts to other services. **What** we suggest here is that one be self-consciously aware of this alternative and of the reasons why one decides in favor of an equity based on need concept or rejects it.

Implications of Equity as Equality and Equity Based on Need

The question arises whether government has an obligation to respond to greater than average needs for urban public services. It could be argued that public officials only have a responsibility to provide an equal distribution of resources and that additional service needs over and beyond these minimal levels are a private responsibility. Equality as equity has the virtue of simplicity since it contemplates equal treatment of different groups. It is insensitive to a variety of characteristics and conditions that distinguish individuals, groups, and neighborhoods.

The poor person often experiences neighborhood disadvantages. His income level (and in some instances his race) often requires that he live in areas with greater than average service needs. Poverty neighborhoods have higher crime rates and are less safe than wealthy ones. Dilapidated wooden frame structures are more susceptible to the outbreak of fire than new brick homes. Families with spacious lawns, backyards, and single family dwellings have fewer needs than poor people for public recreational facilities. Poverty areas have more litter, debris, and unhealthy living conditions than richer ones. Residents of better-off neighborhoods are more mobile and less reliant on public transportation systems. The restrictions placed on the choice of residential location by race and wealth consign some groups to areas that generate extraordinary service needs.

Failure to respond to extraordinary service needs will have an effect beyond the fact that those individuals and groups deprived by the operation of the private sector will not be accorded special consideration in public sector distributional choices. As extreme examples, failure to provide a greater police and fire effort in run-down, high crime, poverty ridden neighborhoods can have spillover effects for other parts of the city. For other services, the consequences of an equal distribution of services across the entire city, regardless of need for services, are less clear. As a result, the reasons for responding to need are less compelling. Poor neighborhoods may need more public recreation services. However, failure on the part of government to address these needs may have little direct, short-run impact upon wealthier neighborhoods. Although the long-term results might be lower income and employment levels and a higher incidence of crime (which might affect other individuals and groups in terms of an increased tax burden to support more police and expanded welfare rolls), these indirect consequences are complex, poorly understood, and difficult to anticipate and demonstrate. Still, the actual spillover effects may be immense. An equal distribution of resources may not be in the best interests of even those who can manage to supplement public service provisions with private transactions. The externalities of ignoring need as a guide to service distribution may leave all groups worse off.

When Does Equity Based on Need Tend to be Acceptable to the Public?

Need as equity is viewed by the public as a more appropriate guide to resource distribution for some services than for others. Health and welfare services provide prominent examples of this perspective. Citizens are also willing to accept need as a basis for resource allocation for other services. A distributional policy that assigned more police manpower to high crime, poverty areas would probably generate little widespread opposition. Middle and upper-income neighborhoods also might want a greater police effort in their own communities. At the same time, they recognize that the incidence of crime provides a rational basis for the distribution of police manpower.

For other services, however, need as a guide to the distribution of services is accorded less legitimacy. Wealthier individuals are probably less willing to accept the argument that black (and other low-income) neighborhoods have a greater need for recreational services and should, in fact, receive more public resources. If crime rates are a valid indicator of the need for police services, why doesn't the number of idle youth congregating at street corners qualify as an appropriate measure of the need for recreation services? Several reasons probably account for the difference.

First, crime rates provide a relatively straightforward method for measuring the incidence of need. Many crimes are reported directly to the police and recorded on a daily basis. No such indicators are available to index the need for recreational services. In general, recreation departments do not regularly collect and disseminate on a neighborhood by neighborhood basis data on overcrowding at parks and playgrounds. Second, the citizen tends to perceive the incidence of reported criminal behavior in direct terms. The spillover effects of failing to provide a greater effort in high crime areas are recognized. A rising crime rate is interpreted in personal terms even though much of the increase may occur in other parts of the city. Indicators of need for recreational facilities lack drama and salience. Recreational services are thought of in locality-specific terms. Most citizens do not believe that these services have a significant impact upon life, limb, and property.

Equity Based on Need: Dimensions of Service Delivery

Another problem associated with need as equity revolves around an adequate conceptualization of the various dimensions of the service delivery and distribution process- resources, activities, and results. Although these issues are relevant considerations for each of the different conceptions of equity, they are particularly important when dealing with equality and need. Since these dimensions are dealt with in considerable detail in Chapter 4, our discussion will be brief.

If the public official relies upon the input of resources as the basis for responding to need, he will distribute more (expenditures, manpower, books, equipment, facilities) to high need areas. However, a greater input of resources may have little effect upon results (street cleanliness for refuse collection, arrest rates for police services). The basis selected by the public official to respond to need (resources, activities, results) will determine the effort required to achieve success.

Responding to need on the basis of an increased input of resources is an easier task to accomplish than responding on the basis of results. For example, the public official may allocate a somewhat higher level of expenditures for refuse collection to poverty neighborhoods. The increase in resources may lead to more garbage pick-ups than those received in wealthy areas. However, **low-**income neighborhoods may still have a greater need for refuse collection services if results are employed as the **basis** for evaluation. Inspection of the neighborhood may reveal that results, as measured by street, alley, curb and sidewalk cleanliness, odors, and health and fire hazards, are still inferior to those observed in upper-income areas.

Need on the basis of results is considerably more difficult to respond to because these dimensions are heavily influenced by factors and conditions largely beyond the control of public officials (income, social status, individual values of the consumer). The socio-economic characteristics of neighborhoods largely account for the social conditions that give rise to the variation in need for public services. At the same time, these characteristics exert a significant impact upon the extent to which a particular service will be effective in addressing a given social condition.

Demand as Equity

Demand for urban public services represents another standard of equity. Demand as equity can be approached and measured in two ways. For example, individual citizens or neighborhood groups or civic associations might "demand" that the city build another park or library or repair a residential street. These demands for public services could be transmitted by phone, letters, or petitions to department heads and the city manager or by visits to city council meetings. Demand for public services can also be measured in terms of user rates. The differences in attendance rates at neighborhood parks, the differences in circulation rates at branch libraries, differences in volume of traffic on residential streets, and differences in levels of calls for police assistance are indicators of the variation in the demand for public services.

Demand as equity incorporates responsiveness to patterns of consumer activity. More books for branch libraries with high circulation rates, more equipment and facilities for parks with high user levels, and more police patrols for neighborhoods that generate a large number of calls for police assistance appear to be examples of rational resource allocation. Demand also places the burden of expressing service preferences upon the consumer. The public official is not required to determine whether individual citizens, neighborhoods and groups want more police, parks or libraries. Although responsiveness to consumption levels does require that information be gathered on user rates for particular services, this procedure is relatively simple. Once a certain level of public services is made available, resources can be allocated and reallocated on the basis of user levels.

A second characteristic of demand as equity is that all demands can be treated equally. Decisions about which groups and neighborhoods have the greatest need for particular services are not necessary. The administrator can uniformly respond to a variety of demands and ignore complex factors such as the variation in need and preference.

A third aspect of demand as equity is that it tends to maximize responsiveness in resource allocation. From the standpoint of both the administrator and the citizen, it may make little sense to stock books in branch libraries that aren't used, to build a recreation center in a neighborhood where existing recreation facilities are under-utilized, to assign additional police patrol in areas that make relatively few requests for police assistance, and to frequently resurface streets in neighborhoods where traffic volume is low.

Demand as equity further contributes to responsiveness in service distribution by minimizing administrative feedback costs. Municipal departments can rely upon citizen complaints and contacts for information about potholes in residential streets, missed garbage pick-ups, stray animals, debris, and faulty drainage and sewer lines. Maintenance crews and resources can be scheduled and allocated in response to these citizen contacts. The administrator is not required to develop an elaborate inspection system to monitor the performance of various public services.

Problems with Basing Equity on Demand

Demand as equity has several shortcomings. Use of urban public services may be, and probably is, differentially distributed across neighborhoods and groups. If resources are allocated on the basis of consumption levels (circulation and attendance rates at libraries and parks, number of calls for assistance for assigning police patrol manpower, traffic volume for resurfacing residential streets) and poor neighborhoods use these services less, the subsequent pattern of service distribution will be skewed in the direction of wealthier areas.

The argument that failure to use a particular public service represents an expression of citizen preference for that service on the part of groups and neighborhoods cannot be accepted at face value. The spatial distribution of public service facilities may have an impact upon the extent to which they are used. If less mobile, low income citizens have to travel too great a distance to take advantage of a particular public service, they may decide not to use the service at all. A distributional policy that emphasizes consumer demand as a guide to resource allocation will further deprive those groups and neighborhoods initially disadvantaged by previous decisions about where public service facilities should be located.

Failure to use a particular service may also be related to the fact that the service is not responsive to citizen preferences. Branch libraries located in poor neighborhoods may have low circulation rates. However, the types of materials, facilities, and programs made available in low-circulation libraries may not be responsive to the preference of local residents. A distributional policy that emphasized responsiveness to the variation in citizen preference, as well as responsiveness to user levels, might well be reflected in subsequent circulation rates. As a result, the pattern of resource allocation on the basis of consumption levels could undergo a substantial shift.

In a related vein, failure to use a service may be a function of the substandard quality of the service provided. Citizens may not use a neighborhood park if it is poorly maintained and lighted, if it is understaffed, if it is unsafe, and if available facilities (picnic areas, playgrounds, athletic fields)

are limited. Few calls to the police may mean that citizens of a particular neighborhood view police responsiveness to requests for assistance as inadequate. Repeated but unsuccessful attempts to obtain satisfactory service may eventually lead to a depressed level of citizen contacting.

Another shortcoming of demand as equity is that some groups and individuals are more likely than others to contact government officials about service related problems. The evidence suggests that blacks are less likely than whites to communicate a service grievance to public officials. If blacks are less likely to organize and join a neighborhood civic association and present their petition for a new park directly to the department head, city manager, council, or mayor, the additional recreational facility may be constructed in a neighborhood with a well-organized and vocal network of community associations. If street construction and repair priorities are determined in part by the number of citizen complaints and if blacks are less likely to complain about the quality of neighborhood streets, maintenance efforts may be diverted to those areas that generate a high number of contacts.

Equity Based on Preference

At a distributional stage, consumer preferences should be considered for some services. For example, there seems little reason not to consult neighborhood residents about reading tastes. Failure to do so may result in a library building that stands unused at worst, or that contains materials that are read and used reluctantly at best. If a decision has previously been made to provide neighborhood public library services, facilities that remain unused or under-utilized because of lack of responsiveness to citizen preferences represents an inefficient use of scarce resources. From the standpoint of fairness, there can be little justification for insisting that the bookstock in libraries located in ghetto neighborhoods solely reflect traditional middle-class reading tastes. Similarly, it seems reasonable for residents within the service area of a neighborhood park to be asked their preferences about facilities, equipment, and programs.

Equity based on preference has several implementation problems. First, the unit of analysis problem is relevant. If government attempts to respond to the variation in consumer preferences for public services, it must settle upon some geographical unit (block, tract, planning district, neighborhood). If the unit chosen is too large, racial and socioeconomic heterogeneity would present enormous difficulties.

A second problem is that individuals' service tastes may vary widely. A housewife may prefer that the local neighborhood branch library stock light fiction, the student might prefer job training, reference, and technical materials, while the working mother might prefer that the library provide day-care services and facilities. One group of citizens may expect the police to provide a quicker response to individual calls for police assistance, while still another group in the same neighborhood might prefer that the police devote a greater effort to a crackdown on criminal activity.

A third problem is that consumer preferences for particular services may be erratic and subject to change. The government's ability to respond to fluctuations in preference is limited. A decision to invest millions in the

acquisition, construction, equipping, and staffing of a public service facility cannot easily be altered to **accommodate** a change in preference. Many citizens may be unsure about the value they place upon a particular public service. Since the consumer is not required to express his preference through the expenditure of private wealth, an expression of preference may never be required.

Shifting preferences may also occur as a result of population shifts. The prospects for including citizen preferences in distributional **decision-making** are enhanced in stable neighborhoods. Some services can **accommodate** changes in neighborhood preference brought about by mobile populations (foot vs. motorized police patrol, for example). For certain fixed public service facilities, however, such flexibility is much more difficult to realize. Residents' preference for park facilities may change from tennis courts to basketball courts and back again to tennis courts as the neighborhood population changes. The cost of responding to such changes in preferences is very high.

Equity Based on Willingness-to-Pay

A final standard of equity in service distribution will be briefly considered. Willingness-to-pay incorporates elements of demand and preference. Individuals decide what and how much they want to buy. Intensity of preference is measured by cost.

It can be argued that the most appropriate way in which to distribute a variety of urban public services is to duplicate the operation of the private sector as closely as possible. Some services in some communities are delivered on the basis of willingness-to-pay (water, gas, electricity, refuse collection, sewerage, some recreational services). It can be maintained that all services should be delivered on a fee basis. By tying service delivery to willingness-to-pay, some of the problems associated with preference (intensity of preference), need (definition and measurement), and demand (the variation in user levels may reflect insensitivity to the service preferences of some groups) are avoided.

Under this system, responsiveness in resource utilization would be enhanced since no citizen would receive a service he did not want. At the same time, responsiveness to preferences would be maximized. The service preferences of some would not be imposed upon others. The citizen could buy as much or as little of a particular service as he chose. He would not be required to pay for what other citizens consumed. Willingness-to-pay as equity assumes that the individual citizen knows his own interests and needs. He bears little responsibility for the service needs of others.

However, willingness-to-pay as a guide to service distribution incorporates a number of systematic biases. One of the distinguishing characteristics of public sector service provision is its potential for ameliorating the extreme inequities produced by the operation of the private sector. Each of the conceptions of equity previously discussed (equality, preference, need, demand) assumes that a redistribution of resources is appropriate. Although this often implicit notion of redistribution is more apparent for some **perspectives**(equality and need) than for others (preference and demand), each standard of equity entails a set of outcomes that differ from those of the

private sector. In principle, individuals with higher incomes do not receive preferential treatment in service distribution.

Basing equity on willingness-to-pay would limit public control over resource distribution. Some disparities of the private sector would occur in the public sector. Income levels would influence who got what. Extraordinary service needs would receive little attention. The service preferences and priorities of citizens with limited incomes would be ignored. Equal treatment of different groups would not be a relevant consideration in distributional policy. Those individuals and groups deprived by the operation of the private sector would be disadvantaged by the public sector as well. The opportunities inherent in public sector allocations for counteracting and mitigating the inequalities produced by the private sector would be circumscribed.

Equity based on willingness-to-pay has consequences beyond the fact that service levels would be closely related to the citizen's standing in the socio-economic hierarchy. Poverty neighborhoods would receive no more parks, police, libraries, garbage pick-ups, and transportation services than they could afford to buy with private funds. While these purchases might accurately reflect service priorities, preferences would be satisfied in direct proportion to the level of personal wealth. Since income levels in these neighborhoods are generally not sufficient to satisfy more basic needs (adequate housing, for example), it is unlikely that a significant percentage of available private wealth would be diverted to traditional urban services.

The spillover effects of extreme differentials in neighborhood service levels are unknown. However, it is probable that the consequences of depressed service levels are not limited to the deprived neighborhood. Beyond some threshold, it is likely that too little police and fire protection, inadequate refuse collection, and too few recreation and transportation services will, in the long run, have a significant and detrimental impact upon adjoining and even distant neighborhoods. In all likelihood, these anticipated consequences account, in part, for the limited use of willingness-to-pay as a system for organizing the delivery and distribution of a variety of basic urban services.

Why Are Fees Charged for Some Services?

Why, then, does willingness-to-pay govern the use of some services in some communities (water, gas, electricity, sewerage, refuse collection, recreational services)? Several factors are probably important. For many of these services, the spillover effects are limited in terms of their impact upon other individuals, groups, and neighborhoods. The individual who cannot afford the purchase of an energy supply sufficient to meet heating needs may be deprived in terms of comfort, convenience, and personal well-being. Inability to purchase adequate amounts of heating fuel has little or no direct and immediate consequences for others. The parent of the child who cannot afford the \$1.00 admittance fee required for use of a swimming pool located in a public recreation center may be irritated by a policy that ties service consumption to willingness-to-pay. However, it is unlikely in most instances that the denial will be perceived to affect other individuals.

Willingness-to-pay is less likely to apply to other services (police and fire protection, for example) because the spillover effects of inadequate service levels in some neighborhoods are more obvious. There is a sense in which these activities are perceived to benefit the community as a whole. A string of armed robberies and a series of rapes in one part of the city may affect public perceptions of community safety, security, and well-being in other parts of the jurisdiction. In addition, the persons victimized usually are not personally to blame for their own victimization.

Some services fall between the extremes of no perceived spillover effects on the one hand and extensive effects on the other. The location of a particular service on the spillover continuum may account, to some unknown degree, for the extent to which willingness-to-pay is employed as a distributive principle. For example, in some cities responsibility for the construction of residential streets falls upon the housing project developer. Future residents assume indirect construction costs through the purchase price of a home or through bonded indebtedness. The city eventually assumes maintenance and repair responsibilities if the streets meet certain design specifications and construction standards. In this case, it may be that willingness-to-pay is combined with some other conception of equity in resource allocation because spillover effects are perceived. Use of neighborhood streets may not be limited to residents of the area.

Refuse collection provides another example. In the public mind, service delivery on a fee basis may be more appropriate for garbage pick-up than for police and fire protection but less acceptable than for some recreation services. If trash collection is tied to willingness-to-pay, it is likely that poverty neighborhoods will receive inferior service. In the short run, the spillover effects for others of substandard service will be minimal. Immediate consequences will be limited to unsightly neighborhood conditions. Beyond a certain level, however, grossly inadequate refuse collection activities in one neighborhood will be perceived to have an impact upon the appearance and health of other parts of the community.

Another factor which probably influences the use of willingness-to-pay as a guide to resource distribution has to do with the extent to which the amount of service consumed can be easily and effectively measured. The amount of water, gas, and electricity delivered to individual dwelling units can be precisely measured and the customer billed accordingly. The number of people using a swimming pool or public transportation facility can be easily counted and service fees can be collected upon admittance. For other services, however, the amount of service consumed and the fee to charge for a given service are difficult to determine. Who should pay the costs of suppressing a fire if the blaze occurred through no fault of the homeowner and if adjoining residences benefit from the suppression? Who should bear the expenses incurred if the police are called upon to quiet a noisy party in response to complaints from a number of irate neighbors?

For some services (police and fire) and under some conditions, the cost of the service to the individual citizen would be prohibitive. The costs involved could be defrayed by assessing some geographic unit (neighborhood or census tract) for the expenses incurred. A neighborhood could contract for a given level of police and fire services. The residences would receive only as much of a particular service as they could afford to purchase. However, a

decentralized approach to service delivery would violate the assumption that a minimum or greater amount of some services is necessary to guard against spill-over effects.

Using Equity Concepts in Making Decisions

A discussion of equity is a complex undertaking. Uncertainty about how this complexity can be put to practical use may occur. Though this uncertainty is to be expected, it also may be exaggerated. After all, equity concepts inevitably are used at least implicitly by public officials whenever decisions are made to leave the distribution of services as it is or to change it. Deliberations may not be framed in equity terms, but consequences for equity are unavoidable because distribution concerns who gets what and whether the pattern that results is fair. Our purpose is to help participants in deliberations about service distribution make more self-consciously aware decisions. In making those decisions, there should be five key questions from an equity perspective. These five questions are:

1. Which equity concepts are most relevant to a particular service and to which aspects of the service should they be applied?
2. What decision rules are most important in determining the current distribution of the service and how, if at **all, should** these decision rules be changed?
3. What is the current distribution of the service and how can this service **distribution** best be measured?
4. Does the existing service distribution pattern raise questions about constitutionality, or does it violate requirements of federal statutes?
5. Who should participate in making distributional decisions (administrators and their staffs, planners and budget officials, chief executives, members of the local legislatures), and what process should they go through in making these decisions?

The purpose of this book is to provide a foundation for clearer thinking about these questions. Separate chapters are devoted to each of these questions. There is no way to provide a formula for such complex, value-laden subjects that public officials can apply to whatever local situations arise. Suggestions can be provided, however, for organizing the analytical process and for applying it to specific services. In the remainder of this chapter, we will suggest how to determine which equity concept is most applicable to a given service issue. We will also provide an example of how these equity concepts can be applied to issues of park service distribution.

Applying Equity Concepts

At the analytical stage, three steps should be taken:

1. What advantages does each equity concept have if applied to a service?

2. What disadvantages does each equity concept have if applied to a service?

3. For each aspect of the service, which equity concept seems most appropriate?

The main questions to ask in determining advantages and disadvantages include the following:

First, who will benefit if the concept is used?

Second, will there be spillover effects if the concept is applied?

Third, is it administratively practical (cost effective and politically reasonable) to apply the concept?

These questions can be applied to any aspect of any service. In the section that follows, we apply them to the distribution of neighborhood parks.

Applying Equity Concepts to Neighborhood Parks

Neighborhood parks are generally a few acres in size, with a playground and playfield, and great variety beyond that in the facilities that may be available. They tend to be for active outdoor recreation, though they could have passive facilities and indoor facilities. What are the advantages and disadvantages of applying the five equity concepts to neighborhood park services?

First, who will benefit? Equity based on need, assuming need to be a function of income and wealth, tends most toward the redistribution of resources to benefit poor people. Since poorer people have less private open space, less interior play space, fewer funds to purchase private recreation, and less mobility to travel to recreation outside the neighborhood, a need basis for distributing neighborhood parks would provide poor neighborhoods with more parkland and facilities than other neighborhoods would receive. Willingness-to-pay, because of its relation to ability-to-pay, tends most toward inegalitarianism. Those who already have the most private resources are most favored in gaining access to public park services. Equity as equality rests in the middle. It leaves the distribution of benefits undisturbed. One should note that the issue of who pays taxes to the general fund from which parks are provided is not being considered here. The effect of demand and preference criteria of equity depend on empirical conditions—what people want and what they do. The tendency is for middle and upper-income neighborhoods to be better organized than low-income neighborhoods to seek government services. The demand pattern that exists in a given place for parks, however, may deviate from this pattern.

Second, will there be spillover effects if the concept is applied? If low-income neighborhoods get more neighborhood park services, there are not likely to be spillover effects in other neighborhoods. This is based on the assumption that a reasonable minimum level of park service is provided elsewhere. Spillover effects from park services are likely to occur primarily because unoccupied youths engage in activities that others dislike. Thus,

willingness-to-pay, if applied widely, could have spillover effects. Whether these effects occur, what triggers them, and how serious they are is highly speculative. The most reasonable perspective probably is to assume that spillover effects from applying the equity concepts would be slight, with the possible exception of willingness-to-pay.

Third, is it administratively practical (cost effective and politically reasonable) to apply the concept? Both equality and need criteria may be costly to apply. Sometimes, low-income neighborhoods are deprived partly because they are developed, land is expensive, and land for parks was not donated or acquired quickly enough historically to meet current requirements. This consideration is more applicable to parkland acquisition than it is to facilities and programs. Demand is practical to use because it gives priority to areas that seek services and provides less to those whose residents seem less concerned. Preference is difficult to discern. Therefore, its utility is limited to situations where current preferences may be a guide to future use, such as when decisions are made about what facilities to include in a new park. Willingness-to-pay can be used for park acquisition in developing areas, if the cost can be included by developers in the purchase price of residences, or if residents are organized to tax themselves. Willingness-to-pay also can be used for specialized facilities, for which the interest of most people is low but the interest of a few people is intense.

One important equity issue for park services concerns how accessibility and price should be combined. How close should which park services be to which people and at what price should services be made available?

From our value perspective, the following distinctions seem helpful:

1. Facilities that serve many purposes and potentially serve much of the service area population should tend to be equally distributed or skewed toward need. Examples would be neighborhood parks and recreation centers. They should be free to users. Charging general purpose costs to the general fund seems appropriate. Besides, monitoring and charging for general park use is costly to administer.

Facilities that serve a single purpose can with greater justification be unequally distributed. Officials reasonably may charge for their use, perhaps sufficient to pay the full cost of providing them, since those who want to use them are but a small portion of the total taxpayers of the jurisdiction. The argument for general services, like recreation centers and neighborhood parks, being skewed toward need is made stronger by the probability that regional parks, as well as public state and federal parks, will tend to be more remote and therefore more accessible to people with more income. Equality of access to the sum of park services may require that certain services, such as neighborhood parks and recreation centers, be located to favor lower income neighborhoods.

2. There are legitimate roles for demands to be expressed and for preferences to be elicited.

a. **Acquisition of parkland.** Consideration of the appropriate **distribution** of parks, recognition of natural land features, and issues of cost should dominate land acquisition decisions. However, there is a role for the views of residents. For example, how do residents expect that a particular site will affect noise and traffic in the neighborhood, and how accessible to them do they believe the site will be?

b. **Long-range planning of facilities.** Although many aspects of parks planning benefit from professional training and judgment, ultimately the issue is: Who will use the park and how will they use it? One useful place to begin is by asking people what they want. Which alternative, among a set of feasible alternatives, do they prefer? What facilities do they want? What equipment? What facilities should be developed first? Where should they be located?

c. **Annual programming.** Determination of what team sports to organize, what **activities** to offer, and what courses to provide is facilitated most by examining use and by considering demands expressed through participation in the current year and in preceding years. By looking at earlier years, trends can be observed. Current and past use is not the only important consideration. Since use is confined to opportunities currently available, attempts also should be made to determine the interest of citizens in programs not presently offered.

From our value perspective, equity considerations in the provision of park services can be summarized in this way:

There are reasonable arguments for favoring low income neighborhoods based on both need and equality concepts.

Willingness-to-pay has an increasingly important claim as services become more specialized.

Demand and preference each have a role in issues of land acquisition, long-range planning of facilities, and annual programming.

Conclusion

The objective of this chapter has been to clarify alternative conceptions of equity and to sensitize readers to the distributional implications of equity alternatives. There is no formula for making equity judgments. But neither is there any formula for making judgments about **efficiency** and effectiveness.

Every service distribution pattern reflects one or more conceptions of equity. Therefore, every decision that affects service distribution has equity implications. No decision, or a decision to leave things as they are, amounts to acceptance of the current pattern of who gets what.

Although equity judgments are inherently political in that they concern basic values about the distribution of benefits in society, the evidence indicates that administrators have much greater influence on service distribution than do elected officials. Furthermore, departmental administrators seem to have more influence than generalist administrators such as city managers, budget directors, and planning directors.

In our opinion, the process of making judgments about service distribution should be open to more participants both inside and outside of government. Each participant should be more sensitive to the equity implications of distributional decisions than has customarily been the case.