

Governing Metropolitan Regions: Some Approaches for Metro Manila

FELIPE V. OAMAR*

Many approaches may be considered in trying to decide the most suitable administrative structure for a metropolitan area. These range from the creation of functional area-wide authorities to the return of some functions to the local government units to privatization of services. However, such approaches must prioritize the many urban functions that the metropolitan authority will be responsible for depending on the needs, and demands of the people in the area.

Introduction

It is sometimes said that the great domestic problems as well as the promise of a country are to be found in its large urban centers. This is where the majority of people are located. It is in the metropolitan areas that they interact socially, economically and politically with each other and their physical environment in increasingly complex ways. The emergence of large cities and the urbanization of extensive sectors of the earth's inhabitants has also been closely associated with industrialization and economic growth. With some exceptions, the most highly developed nations are also the most intensely urbanized.¹

In the developing nations, the pace of urbanization has been outrunning the rate of industrialization. As a result, the rapid movement of people from the rural areas to the cities has not been accompanied by a corresponding rise in employment opportunity. This imbalance has generated high rates of urban unemployment and encouraged the creation of marginal or low-productivity jobs. Hence, in many instances, the flow cityward has been observed to be more the result of "push" factors (gross overcrowding of the rural population, dire poverty, too little opportunity for securing land that can be worked to produce a living) than of the "pull" of the urban community.

*Professor, College of Public Administration, University of the Philippines. This article is based on the last chapter of the author's Ph.D. dissertation submitted to the graduate school of the University of Southern California in 1974.

Those countries which have experienced the fastest population increase in recent decades have been least able to bring about a significant transfer of their growing labor force into the industrial urban sector. They have also been least able to provide the physical and social infrastructure — housing, education, utilities, transportation — necessary to absorb the migrant streams. The slums, shantytowns, and squatter settlements which lie at the outskirts of the large cities and penetrate their interiors along the river banks, railroad tracks, hillsides, and deteriorated portions of the core stand as mute testimony to this failure. It is estimated that in Africa only 50 per cent of the urban dwellers live in housing that could be considered minimally adequate, while the comparable figure for Asia and Latin America is 60 percent.² For many of the developing nations, the great internal migration means simply the transfer of rural poverty to the cities where it becomes more concentrated and conspicuous.

The implication of all this does not mean that metropolitan problems are insoluble. Rather, that urban problems relating to law enforcement, housing, water supply and sewage disposal, transportation or technological change, to mention just a few, can be attacked singly or collectively by a number of means. One of these involves testing the adequacy and modifying, if necessary, the structure of government in a metropolitan region. Pursuing this path requires that skills exist in the exceedingly difficult task of designing new public arrangements which can produce different and more acceptable conditions in those things which can be affected by urban government. . .

A Set of Standards

One of the few attempts to develop a set of standards for judging whether a function should be performed at the local or area-wide level was made by the Advisory Commission on Intergovernmental Relations in one of its many reports.³ The Commission suggested seven criteria for making this determination:

- (1) The unit of government responsible for providing a particular service should have territorial jurisdiction large enough to minimize the spill-over of benefits or social costs into other jurisdiction;
- (2) It should be large enough to permit realization of economies of scale;
- (3) It should have a geographic area of jurisdiction adequate for effective performance;
- (4) It should have the legal and administrative ability to perform the service;

(5) It should be responsible for a sufficient number of functions so that it provides a forum for resolution of conflicting interests and is able to balance governmental needs and resources;

(6) It should be so organized that the performance of its functions remains controllable by and accessible to its residents;

(7) It should be able to maximize the conditions and opportunities for active citizen participation while still permitting adequate performance. ⁴

The above criteria illustrate the difficulty of devising operational standards for making an areal distribution of functions. As is evident, the list is a mixture of economic, administrative, and political tests that are not altogether in harmony with each other. The political criteria in the sixth and seventh categories, for example, may run counter to the economic standards in the second and third specifications. The latter may call for a governmental unit of such large size the citizen control and accessibility would be limited and participation discouraged. To arrive at allocational decisions, moreover, each of the factors would have to be weighted since all are not of equal value. Nevertheless, a list of criteria, such as that developed by the Advisory Commission, serves a useful purpose in focusing attention on the most patent factors involved in the areal division of powers. It does not, however, provide a pat formula or a quantitative measuring device for making allocational determinations in concrete cases.

An approach which employs the criteria suggested here presents a rough approximation of the possible order for allocating urban functions. It ranks fifteen urban functions on a scale from "most local" to "least local" (see Table 1).

Close examination of the table will suggest that other classifiers may come up with a different order of allocation. However, what is of interest here is not the validity of the ranking but the approach — instead of starting with the assumption that administrative reorganization is needed and then documenting the problems to justify conclusion, the focus is on the optimum scale of operation for each of the major urban services without reference to governmental structure. By divorcing these two aspects for analytical purposes, such an approach may be capable of providing greater insight into the kinds of governmental accommodations that are necessary to keep a metropolitan system functional.

Alternative Approaches

What all these issues and prospects suggest is that the proposed integration of urban functions under the aegis of the Manila Metropolitan

Authority may not ameliorate some problems, that recommendations for organization change in a metropolitan region should consider multiple strategies rather than attempt to find a particular type of solution to urban problems. A sweeping reorganization, if adopted, locks a region into that form for a substantial period of time even though the conditions for which the solution was designed rapidly change.

**Table 1. Rank Order of Urban Functions
from Most Local to Least Local**

Rank	Function
1	Fire protection
2	Public education
3	Refuse collection and disposal
4	Libraries
5	Police
6	Health
7	Urban renewal
8	Housing
9	Parks and recreation
10	Public welfare
11	Hospitals and medical care facilities
12	Transportation
13	Planning
14	Water supply and sewage disposal
15	Air pollution control

Source: ACIR, *Performance of Urban Functions, Local and Areawide* (Washington: US GPO, 1963), pp. 9-23.

In the light of these considerations, this section outlines a number of alternative approaches that are recommended as a basis for governmental modifications and other metropolitan-oriented policy proposals. It is far from complete and undoubtedly includes items that might prove to be of limited value. The point, however, is that whether the existing multi-nucleated system of government continues or some type of centralized decision-making arrangement is formed, the region, as well as individual jurisdictions, needs to have some type of coherent strategy for both responding to and initiating actions at the local and national level. Similarly, a regional or existing unit must also have the capacity to facilitate both communication from and to subareas within their boundaries. In this framework, some kind of an "arsenal" of remedial weapons could be provided by law that metropolitan residents could draw upon as they see fit.

(1) *Creation of functional area-wide authorities.* An alternative to the creation of a Manila Metropolitan Authority is the authorization of local governments within metropolitan Manila to establish, in accordance with statutory requirements, metropolitan service corporations or authorities for the performance of governmental services that can best be handled on an area-wide basis. These corporations should have appropriate borrowing and taxing power, but their initial establishment and any subsequent broadening of its responsibilities should be subject to voter approval on the basis of an area-wide majority.⁵

While similar agencies, such as the National Waterworks and Sewerage Authority, Police Commission, and others have been in operation at a national scale, local governments have absolutely no say in the administration of these services. Furthermore, as has already been noted elsewhere, these independent agencies of the national government have been subject to several significant criticisms. They tend to foster a piecemeal approach to metropolitan services by singling out particular functions for independent handling, often without adequate coordination with governments responsible for related activities. In addition, they also increase the number of local governments and the complexity of government structure.

To overcome some of these limitations and criticisms, these authorities or corporations should either be multi-functional⁶ or, if limited to a single function at the start, should be capable of absorbing additional responsibilities with the approval of a majority vote in the area served. They should be governed by a board of directors consisting of elected officials — mayors, city councilmen, and governors from the governments of the metropolitan area.⁷ If residents of the area choose to limit the authority to a single function, they should not be precluded from establishing separate authorities to perform other responsibilities on an area-wide basis.

(2) *Voluntary transfer of functions from municipalities to cities and provinces.* The national government should authorize municipalities, cities and provinces in the metropolitan area to take mutual action to transfer responsibility for specified services from one unit of government to the other. This approach could offer great possibilities for meeting problems created by the spread of service needs beyond municipal or city boundaries. For example, Manila, the most populous of the cities and municipalities of the metropolitan area could be equipped to meet urban needs by a transfer of individual functions from local governments within an adjoining jurisdiction, since it has already attained a reasonable level of political responsibility and administrative competence. Rizal province may also have the potential for performing some transferred functions since fourteen of the twenty-four municipalities and three of the five cities within the metropolitan area are within its territorial boundaries.

(3) *Interlocal contracting and joint enterprises.* Without the creation of a totally new metropolitan jurisdiction, as in the case of Metropolitan Toronto, intergovernmental agreements and contracts can be used as a means of broadening the geographical base for handling common functions in a metropolitan area. Two or more units of government may be authorized to exercise jointly or cooperatively any powers possessed by one or more of the governments concerned to contract with one another for the provision of governmental services.

This strategy provides a mechanism for meeting changing demands for public services within geographic areas not coincident with the boundaries of existing political units. An obstacle may be in the limitation of functions and geographic areas that could be met by this approach. Nevertheless, it could be a viable arrangement for dealing with a variety of public problems in a metropolitan area. As Ostrom, et al, have noted: "Cooperative arrangements pose no difficulty when joint activities produce a greater return to all parties concerned, if the appropriate set of public interests are adequately represented among the negotiators."⁸

(4) *Creation of metropolitan study commissions and planning bodies.* The national government should authorize the establishment of these bodies for the purpose of developing proposals for revising and improving local government structure and services within the area, and to make advisory recommendations to local units concerning planned metropolitan development within their jurisdictions. It should also prepare area-wide plans for land use and capital investment and should review proposed local zoning ordinances, building regulations, and major physical facility plans.

The study commission may be created, optionally, by either mutual and concurrent action of the government bodies of the local governments, or by initiative petition and election of the voters of the metropolitan area. There should be provisions to assure that the membership will be balanced so as to provide general equity of representation for the population groups and governments comprising the metropolitan area. Proposals developed by the commission should become effective if they are approved at a special election held for this purpose.

A planning commission, on the other hand, should include elected officials from local governments among its members, since its primary purpose is to provide adequate policy guidance for metropolitan planning. Their membership is intended to relate these functions closely to the decision-making of governments in the area.

(5) *Creation of a unit for metropolitan affairs within the newly established Department of Local Government and Community Development.*

Where this function does not now exist, there is a need for continuing attention, review, and assistance to the local governments in the metropolitan area. The main responsibility of such an organization would be in coordinating national government activities and services to local governments, and in formulating national policies related to local governments. It should also serve as a clearing-house of information on local government problems and national services available to cope with them. Furthermore, it must give advice and assistance to local governments requesting it; conduct research; encourage cooperative efforts among local governments; and help improve inservice training for local government employees.

Other options. The first option involves the formation of a Metropolitan Council which is primarily concerned with policy formulation and integration on an area-wide basis but does not directly operate any line-type agencies. To carry out this function, the Council should have the power to appoint ex-officio members to all local government bodies and agencies operating in the metropolitan area. This provides the mechanism by which the Council could monitor and attempt to coordinate the programs of these units with its overall plans. It also should have authority and its own source of funds to conduct research on urban problems.

The qualitative difference of this institutional strategy, in the opinion of its advocates, lies in its indirect involvement with the production of services allowing it to thereby avoid the difficulties upon innovative thinking that frequently exist within functional agencies. The importance of this model rests not in the specific arrangements or formula for representation but rather with the possibilities of a jurisdiction of regional scale which has mandate to formulate metropolitan policies and some leverage to have them taken into account by the various governmental units in the metropolitan area.

The second variation involves the formulation of a regional public investment budget which could provide the opportunity for voluntary pooling of resources and project coordination among governments and the identification of areas of under and over-investment for public purposes. This proposal suggests the formation of a committee staffed by personnel from participating governmental units whose function would be to gather the necessary data and issue reports. The regional budget might cover a five-year period or longer and be updated annually. It could contain a projection of the total revenue and debt capacity over that period; a specification of all commitments and anticipated requests for national grants and loans. If local jurisdictions could be motivated, the committee could also provide the informational base for formulating a sophisticated fiscal policy within the region and in the region's relationships with the national government.

Endnotes

¹See, for example, Jack P. Gibbs and Leo Schnore, "Metropolitan Growth: An International Study," *American Journal of Sociology*, Vol. LXVI (September 1960), pp. 160-170.

²See, in this connection, Charles Abrams, *Man's Struggle for Shelter in an Urbanizing World* (Cambridge: M.I.T. Press, 1964).

³A more theoretically oriented attempt to develop criteria for the areal division of governmental powers is contained in Arthur Maass (ed.), *Area and Power: A Theory of Local Government* (New York: Free Press, 1959). For a discussion of service allocation based on the criteria of economy of scale, people-government proximity, and administrative and welfare considerations, see Werner Z. Hirsch, "Local Versus Areawide Urban Government Services," *National Tax Journal*, Vol. XVII (December, 1964), pp. 331-339.

⁴*Performance of Urban Functions: Local and Areawide* (Washington, D.C.: 1963), pp. 41-60.

⁵Section 13, Article 10 of the 1987 Constitution of the Philippines provides that "local government units may group themselves, consolidate, or coordinate their efforts, services and resources for purposes commonly beneficial to them in accordance with law." It also impliedly authorizes Congress to create metropolitan, regional, and other forms of local government when social and economic conditions so require, subject to approval by majority vote in the units to be affected.

⁶Multi-functional authorities are usually defined as special authorities set up pursuant to law to perform a number of functions or services in all or most of a metropolitan area. Its initiation and approval and the additional functions requires the approval of local governing bodies or voters of affected local governments.

⁷See ACIR, "Metropolitan Functional Authorities," *State Legislative Program* (Washington, D.C.: October 1965), pp. 126-151.

⁸Vincent Ostrom, Charles Tiebout and Robert Warren, "The Organization of Government in Metropolitan Areas: A Theoretical Inquiry" *American Political Science Review*, Vol. LV (December 1961), p. 838.