REGIONAL REFORM IN HISTORIC PERSPECTIVE: METROPOLITAN PLANNING INSTITUTIONS IN DETROIT, 1950-1990

by

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Chapter 1

Introduction

Bruce Katz, in the foreword to Myron Orfield’s influential call for greater regionalism in American urban governance, says Orfield’s ambitious regionalism presents “a compelling vision of how to achieve environmental quality, economic competitiveness, and racial and social justice in metropolitan America.” The scholars Gerald Benjamin and Richard Nathan, however, have serious doubts. “Even the purest of redistributive metropolitanists must acknowledge that their approach usually has failed to be adopted, especially in the largest metropolitan areas.” And the attorney Paul Dimond is especially skeptical. “It makes no economic sense to consider any form of regional government that seeks income or general service redistribution through regional taxation.”

These authors may have differing opinions about regionalism, but their analyses share a critical assumption, one shared by nearly every scholar and commentator on this topic. They assume that “regionalism,” in its many forms, is an exceptional phenomenon—not just infrequently occurring, but distinct from and in opposition to a “localism” that dominates planning in urbanized America. Regionalism, under this framework, is the exception to the rule of localism. Advocates differ over whether it is an advisable exception or a foolhardy one; scholars differ over where such exceptions come from and how likely they are to occur.
But the assumption that regional policy making is an oppositional exception to naturally occurring localism is actually quite problematic, for two reasons. First, it underestimates the degree to which regional planning is already deeply integrated into the development of metropolitan America. In the actual practice of metropolitan development, it is clear that local and regional planning agencies share the regulatory landscape and operate very much in concert with one another. Any single development project, whether a greenfield subdivision or downtown revitalization project, is dependent not just on land-use planning traditionally carried out by a municipal government, but on environmental regulation, transportation funding, water and sewer service, taxation agreements, and a host of other planning interventions carried out by county, regional, state, and federal authorities. The functional planning of the metropolis is a multi-tiered enterprise, involving a variety of agencies operating at a wide range of geographic scales.

Trying to understand a region’s development patterns strictly in terms of its municipal governments’ zoning maps, for example, would obviously be an incomplete exercise. It would ignore, among other things, the regional highway development plan put together by the federally mandated Metropolitan Planning Organization. Nor, obviously, would a look at the regional transportation plan be sufficient, absent an understanding of municipal zoning patterns. As distinct or different as these local and regional planning institutions may be, as a practical matter they function together every day in the actual planning of metropolitan development. That is, each agency’s individual actions and plans accumulate, whether by accident or design, to yield the on-the-ground development changes and patterns we see every day. For this reason alone, it
is important to investigate “local” and “regional” planning together, as components of a single metropolitan complex of institutions, because in practice they function that way.

Secondly, the assumption of regional exceptionalism is sharply at odds with the actual history of governance in the American metropolis. It imagines a sharp division between, on the one hand, municipal governments that are centuries old and so deeply ingrained in the American political psyche as to be immutable, and on the other, new-fangled regional agencies that lack the necessary historical substance and track record to be politically viable. In fact, the historical literature strongly indicates that this purported distinction between longstanding localism and Johnny-come-lately regionalism is deeply flawed. Instead, as the ensuing literature review will make clear, there is considerable evidence to indicate that today’s “local” and “regional” planning institutions are products of the same post-World-War-II process of institution building by state governments, and they not surprisingly, therefore, share the same mandate.

In short, the conventional wisdom that assumes local and regional planning institutions to be unique from and antagonistic toward one another is at best incomplete. The alternative viewpoint—that these institutions are so functionally and historically intertwined as to be, essentially, complementary parts of a single system of planning in the metropolis—merits further investigation. Three basic questions present themselves:

1. What political process or processes—driven by which actors, operating through which means of influence, responsive to which mandates—shaped these institutions and thereby created the contemporary system of planning an American urban region?
2. How does this history inform our understanding of planning in urban America today; that is, what priorities or tendencies are embedded—intentionally or otherwise—in the institutions of metropolitan planning by the design of those institutions?
3. How does a historically grounded understanding of metropolitan planning institutions change the debate—in both scholarly and policy circles—about the possibilities of metropolitan regionalism going forward?

This dissertation answers the first question in considerable historical detail, and in so doing leverages a broader body of work to answer the second and third questions. It makes a contribution to the existing literature on the history of governance and planning in the metropolis by examining in detail a single metropolitan area, Detroit. It tells the story of the development in the postwar period of the variety of planning institutions—local governments regulating land use, the central city’s provision of water and sewer service to the metropolis, the state government’s funding of local road construction, and the central city’s and suburbs’ independent development of competing mass transit systems—that together constitute a broad and substantial portion of the functional planning of the metropolitan region.

In Detroit, a recurring cast of characters—the city and suburban political leadership, the regional business community, and the state and federal governments—negotiated among themselves to design the institutions that facilitated sprawl and to this day govern and plan the metropolis. The contemporary situation that at first glance appears to represent a lack of regionalism—municipal governments zoning land independently of one another, the city and suburbs maintaining separate bus systems—on closer inspection turns out to in many ways be a *result* of regionalism. The regional political community, in repeated negotiations over the right way to govern the region, chose these institutions at the same time as it chose unified region-wide systems to pay for road construction and water provision.
In short, the creation of this one metropolitan region’s systems of governance and planning is properly understood as the embodiment of a metropolitan set of preferences expressed time and again on a variety of issues. As the ensuing chapters will demonstrate, the challenge of institution building in the postwar metropolis was explicitly identified as a regional issue, and political actors within the region acted to meet that challenge primarily through policies enacted in and by the state legislature.

In tackling specifically the institutions of planning in the metropolis, and studying them together from a regional perspective, this case study not only advances the historical literature, but also leverages that body of work to make it directly relevant to contemporary debates about the possibilities of regional planning to solve urban sprawl. In other words, history has something to tell planning scholars and social scientists about the nature of today’s planning institutions. This work, in studying one place in detail, not only makes its own contribution to that literature, it also sets the stage for a reassessment of contemporary regional planning debates based on the larger historical literature.

This work is meant to advance planners’ insight into what is arguably the most intractable question in the field: how do we stop urban sprawl? If there is anything the public demands of its planners at this time, it is a sensible remedy to the steadily expanding reach of low-density development, and the deleterious effect that sprawl has on the less advantaged populations in the metropolis. The profession rightfully responds to this question with the observation that planners are not empowered to stop sprawl. It is not for a lack of regional plans that sprawl flourishes, but because there is no political forum where such plans can be authoritatively enacted.
So the central question for planners seeking to stop sprawl is fundamentally one of politics and governance, rather than design. Changing contemporary development patterns requires an institutional environment in which an alternative plan could be enacted and followed. This research aims to advance our understanding of that environment, so that the profession can have a clearer picture of just how much promise does or does not exist for the prospect of curtailing sprawl with reformed institutions. It seeks to do that with a careful study of the connections between institutions and planning outcomes in one American metropolis: Detroit.

The Detroit case is used here as a counter case, one that in its actual history and function sharply complicates conventional understandings of regional planning and governance. In the Detroit region, a rapid and unequal decentralization of the urban population created a metropolis with wide disparities—in urban and suburban wealth and in black and white economic well-being. One of the defining features of urban sprawl is the wide gap it creates between the haves and have-nots of the metropolitan region. On any number of measures, detailed later in this chapter, Detroit has experienced this facet of sprawl to an extraordinary degree. If the regional exceptionalists are right, we would expect to find no regionalism here. That we find the opposite—a regional political process building and reinforcing the institutions of this severely sprawled metropolis, provides an especially sharp challenge to the conventional wisdom.

As the conclusion will argue, this work and the work by others it is built upon argue for a vastly different starting point for investigations of metropolitan planning than the conventional wisdom of regional exceptionalism provides. Conventional approaches stress the difference between local and regional planning, and argue in favor of one or the
other based on their seemingly inherent differences. But if both local and regional planning institutions were developed side-by-side as complementary parts of a single metropolitan system—a process described in detail in the ensuing chapters—then distinguishing the geographic scale of planning conducted by one or another agency is far less important than understanding the make-up, operation and substantive priorities of that singular metropolitan system. Further, creating a different kind of planning—serving substantively different goals—is less a matter of tweaking bureaucratic arrangements to create “more” or “less” regionalism, but instead requires changing the underlying regional political priorities, of which the institutions are only a reflection. Institutional change is most accurately viewed as indicative of a larger political change, rather than as the means to effect that change, because the institutions themselves, whether local or regional, were each built around a substantive political mandate. Metropolitan Detroit’s sprawling development patterns are not the result of pre-existing localist governance arrangements with which it was saddled; quite the contrary, metropolitan actors built a set of institutions, local and regional, that embraced sprawl.

**Literature review**

The central ambition of this dissertation is to historicize regional planning, defined here as the broad constellation of institutions that together guide the development of the metropolitan region. It describes for one place the process of local, state, and federal political leaders building a tiered system of municipal and regional governance that embraced a particular pattern of metropolitan development. First, it is necessary to
demonstrate how this historical question naturally presents itself in the course of pursuing contemporary regional policy reform.

In the 1990s, Minnesota state legislator Myron Orfield launched something of a revolution in the discussion of metropolitan America’s urban ills. Orfield began mapping, using relatively new Geographic Information Systems (GIS) technology, the jurisdictional winners and losers of the status quo development practices of the Twin Cities metropolitan area. Orfield found that, on everything from sewer investments to public housing policies to land use regulations, a small, wealthy minority residing on the metropolitan fringe was reaping tremendous fiscal advantage, at the expense not only of the inner city, but of aging, inner-ring suburbs and some outlying areas. Orfield set out to build a political coalition from the substantial majority of Twin Cities residents who were on the short end of the regional development stick. His approach has been studied and adopted by advocates across the U.S.; the promise of metropolitan reform along the lines Orfield advocates is today a component of virtually every serious conversation of urban sprawl and urban disinvestment.2

Because the status quo was shortchanging the majority of the metropolis in favor of the minority, Orfield and others argued, it was necessary to create regional policy making bodies where that majority could express itself, remedy the inequities, and redistribute the costs and benefits borne by metropolitan residents. “The challenges facing metropolitan America require a representative, accountable regional governing body with the authority to guide regional development,” he wrote.3

Orfield was the latest in a long line of students of metropolitan America to argue for regional government, from a variety of perspectives and for a variety of reasons. His
particular argument, that regional government would fix the inequities resulting from a fractured system of governance, had been made sixty years earlier, by the political scientist Victor Jones: “Disintegrated local government in metropolitan areas results in unequalized services, in a disparity between need and fiscal ability to meet the need, and in a dispersion and dissipation of political control of the development of social, economic and political institutions.” If Orfield’s ideas were not entirely new, the obvious question for those who shared his goals was: what, if anything, would make the 21st century call for redistributive metropolitan institutions any more successful than the mid-20th century’s? Where, in the end, do such institutions come from?

This is hard to determine, because if redistributive regional institutions were widespread enough to be thoroughly studied, then Orfield would not need to advocate so forcefully for their creation. Scholars have generally been left with two courses of action: studying the handful of exceptions that do exist, and studying the far more common regional institutions that are not redistributive, but are instead focused on seemingly more mundane matters like efficient water distribution.

Margaret Weir identified three conditions for redistributive regionalism to take hold in her comparison of two states where that occurred, Oregon and Minnesota, with two places where it did not, Illinois and California. The formation of a sprawl-containing Urban Growth Boundary in greater Portland, and a revenue-sharing system among local governments in the Twin Cities, Weir said, were contingent on the existence of a powerful lobby that required a regional solution to its concerns, a process of bipartisan coalition building, and the absence of a well-organized opposition. The racial homogeneity of both metropolitan areas was a key underlying factor that allowed the
necessary coalitions to form. “The line between city and suburb was not perceived as a racial line, and this homogeneity allowed the legislature to treat the problems surrounding metropolitan service provision as practical or technical concerns that did not invoke highly charged political issues.”

Benjamin and Nathan argue that for this very reason, the reformist hopes exemplified by Orfield’s advocacy are for the most part impractical. In their study of the range of regional policy making bodies in metropolitan New York, these authors determine that the “value of community”—i.e., the defense of the prerogatives of individual municipal governments—trumps most attempts at regional policy making. They argue that a redistributive regionalism is fundamentally impractical, because it ignores the passion with which citizens seek to protect the distinction and separation that a system of powerful, geographically small local governments affords them. Their analysis is summed up in the title of their work: *Regionalism and Realism*. Regionalism, according to these authors, is the stuff of impractical thinktankery, while its localist counterpoint constitutes a “reality” that is independent of mere policy making. Only those efforts that are sensitive to these localist realities—and therefore only minimally redistributive—have been successful.

These two works, by Weir and Benjamin and Nathan, represent in a nutshell the state of scholarly knowledge about the possibilities of redistributive regional reform. In a very few places where the presence of relatively racially homogeneous populations makes consensus easier to obtain, a lucky alignment of political stars might create the sort of institutions Orfield advocates. But that knowledge is of limited utility in the vast majority of urban regions where the critical precondition is not satisfied, where the
“realism” of inter-social conflict is dominant. While not quite a dead end, this particular line of questions—where do redistributive regional institutions come from—is not an especially promising one. There are too few, unrepresentative cases from which to generalize, and the more numerous, non-redistributive regional institutions that do exist are seemingly grounded in an implacably “real” localism that is beyond policy intervention.

This is only a dead end, however, if we accept the premise that localism is completely independent of, and immune to, intentional policy making. Generally speaking, when policy scholars have asked how redistributive regional institutions might be created in the future, they have implicitly characterized local institutions as somehow naturally occurring and inevitable. Regional institutions are fabricated by bureaucrats, but local governments exist a priori. The “realism” that opposes regionalism in Benjamin and Nathan’s title is, by the very meaning of the term, beyond the realm of policy intervention, and has therefore gone largely unexamined in the policy literature.

But this assumption on which so much of the regional policy literature is based is actually a historical argument, and therefore subject to historical examination. Have American urban regions always been subdivided into multiple municipal jurisdictions? Has the meaning of a municipality always included the authority to exclude through the zoning power? Has urban policy making always been bifurcated between metropolitan-scale infrastructure building and locally controlled land use regulation? When and how was this system created? In short, how did the contemporary system of planning the American urban region come into being? It is entirely possible that the path from here to there—from today’s system of planning the region to one more oriented toward Orfield’s
goals of redistribution—will be easier to find if we have a greater understanding of just how we got “here” in the first place.

There is in fact a considerable literature that speaks to the development of governance in metropolitan America. And while gaps remain to be filled, as a whole this literature seriously undermines the presumption of naturally occurring localism on which so much of the discussion of regionalism is based. To be sure, the concept of local government is deeply rooted in American history; Tocqueville’s celebration of the virtues of township government in Democracy in America is often cited as evidence of this.7

But as the ensuing discussion will make clear, the defining characteristic of today’s system of metropolitan governance—the single functional metropolis subdivided into mutually antagonistic, exclusive jurisdictions immune to annexation or consolidation—turns out to be a relatively recent invention. And an invention it was: the product of intentional policy making primarily at the state level, not the inevitable and unintentional result of urban expansion.

The scholarly literature indicates that these local structures grew up side by side with complementary county and regional agencies, with each level of government assigned a particular role in the planning of the metropolis. If this is the case, then the distinction between local and regional planning is far less important than the substantive priorities that the system as a whole favors, and those it does not. The key to serving Orfield’s equity goals is not creating “more” or “less” regionalism, but changing a local-regional regime geared towards one set of priorities to one favoring a different set.

For roughly the first century of the United States of America, according to Jon Teaford, individual cities existed, and their boundaries were determined, only by the
specific action of a state government. The 1854 expansion of the tiny City of Philadelphia to include its surrounding county, for example, was executed by the Pennsylvania legislature with no formal local action whatsoever. The Missouri state legislature in the same period expanded the boundaries of St. Louis over the explicit objections of the residents being annexed, and the residents’ attempt to block the change in court was rejected.\(^8\)

But amidst the rapid expansion of urban populations in the latter half of the 19\(^{th}\) century, state legislatures generally removed themselves from this process, because legislating each municipal incorporation and annexation was a time consuming process, and because residents of the affected areas agitated for more local control of the process. Legislatures wrote general laws that provided a set of rules under which incorporation and annexation would take place. So long as local actors followed those rules, the changes would be accepted by the state government.

The ability of small communities within the metropolis to separate themselves into independent governments at their own discretion is not, therefore, a timeless or natural feature of the American experience, but rather an intentional policy innovation begun roughly 150 years ago. And even after they had the ability to stand alone, many suburban communities chose nevertheless to be annexed by the central city. Teaford says the period from 1850 to 1910 constituted simultaneously the fragmentation of, and the consolidation of, the American metropolis; self-incorporation laws fostered independent suburbs, which then chose to consolidate with the central city, usually for the superior services at lower cost they could obtain.
After 1910, the equation changed. State laws created metropolitan service districts that required suburban jurisdictions to be served by the central city at cost; states enabled county governments to expand and fulfill the service needs of small cities that could not afford to do so on their own; and states authorized the formation of special purpose governments that allowed suburbs to obtain the economies of scale that had previously been the most attractive feature of city residence.

Teaford’s history of the period prior to 1910 makes clear that regional governance mechanisms were invented and enabled by state governments more or less simultaneously with the invention of small city governments. Prior to 1850, there was simply no distinction between the municipal and the metropolitan; between 1850 and 1910, there was a small distinction, but it was only after the states enabled metropolitan service districts and special-purpose governments to provide urban amenities that small scale municipal governments really began to take hold. “Local” government of an urbanized jurisdiction, as we see it today, is really no older than metropolitan government; both are inventions of the early 20th century, and both serve the requirements of suburban residents seeking urban amenities but suburban socio-economic separation.

What’s more, the battle between city expansion and suburban balkanization was not, primarily, a battle between different constituencies within the metropolis, but rather within those constituencies. Teaford says that, generally speaking, the business community was in favor of the economic growth fostered by a singular, efficient metropolitan government, but at the same time very fond of the country-club-style exclusion of small-scale local government. Middle class suburban residents desired the
amenities provided by a large central government, but sought to separate themselves from the social and fiscal burdens of city residence. Conversely, city residents themselves were not strictly in favor of annexing new territory; they were interested in capturing the revenue growth available there, but not in the further extension of services. “Americans of the 1920s…had imperial dreams and parochial desires,” Teaford writes.⁹

Teaford reports that between the world wars in many large cities, including Pittsburgh, Cleveland, and St. Louis, business leaders and civic improvement associations sought to create a federated system of metropolitan government that would serve the dual mandates of metropolitan efficiency and suburban exclusion. These schemes for metropolitan government were the products of suburb-residing corporate leaders, not city politicians, and they failed in state legislatures primarily due to the rural interests that feared an ever-expanding metropolis.

As we turn to the post-World War II period with which this dissertation is primarily concerned, it is important to note the key features of the metropolitan planning landscape on which new institutions would be built. First, state legislatures created “local” and “metropolitan” structures side by side beginning in the late 19th century; prior to this time, there was no meaningful distinction between the two in the urban context. Second, both of these structures appealed to the wide gamut of metropolitan constituents, though for different reasons. The challenge prior to 1945 was to strike the right balance between the two. Does this “balancing” process accurately describe the development of post-1945 urban governance? If so, who defined what constituted the “right” balance? And by what means did they define this balance and achieve it?
In his landmark case study of urban governance, Robert C. Wood wrote that “the most significant fact about the governments of the New York Region circa 1960...is that two different types of political systems rule the public sector today—the local governments and the Regional enterprises.” Both the local government patchwork and the large regional agencies functioned primarily to aid and abet economic growth and physical expansion in the region, without much regard to who, if anyone, was shortchanged in this process. Local planning decisions, taken in aggregate, were every bit as conducive to the requirements of expansion as were the infrastructural decisions of the Port Authority and Robert Moses’ Triborough Bridge Authority. “The program that is most likely to succeed is the one that supports—not contradicts—the marketplace. Success seems to smile on the transport agencies that favor the auto, the housing project that reclaims a potentially profitable downtown site, the water resources program which responds to a present need rather than anticipating—and helping shape—the future pattern of development.”

Wood was, on the whole, quite concerned with the relative ineffectiveness of this two-pronged system of metropolitan governance to guide planning toward any redistributive outcomes, and his work falls squarely in the “reform” tradition characterized by Victor Jones in the 1940s and Myron Orfield in the 1990s. There was a different school of thought in political science, however. The “public choice” arguments of Charles Tiebout and others stated that “polycentric” metropolitan governance was not at all dysfunctional; it instead constituted an efficient system for the provision of public goods by different institutions handling different needs at different levels of geography. Public choice theory offered the critical insight that the patchwork of small-scale
municipal governments, along with intergovernmental partnerships and larger regional agencies, can and do operate as a single system.\textsuperscript{11}

Tiebout and his colleagues authored their theory as a direct counterpoint to Wood, and the policy literature thereafter has fallen into a “reform vs. public choice” framework, pitting metropolitan government against inter-local bargaining. With hindsight, this is more a debate about ends than means. Reformers want to remedy the inequities that result from the metropolitan governance system, while public choice adherents defend its efficiency. But for our purposes, these two works are quite compatible. Both of them describe, one in a detailed case study, the other in a theoretical formulation, the way in which so-called local government constitutes a coherently functioning sub-system of metropolitan governance, one that works in tandem with and is interwoven with a complementary sub-system of regional agencies, the two subsystems together constituting the single overall system that governs the metropolitan region. In the early postwar years, these scholars were observing in the dry language of political economy the continuation of the balancing process that had defined urban governance for the previous one hundred years.

Later work on the seemingly separate issues of local and metropolitan governance confirms the existence of this complementary balancing process.

For example, Nancy Burns’ careful statistical analysis of the creation of new local governments (municipalities and special districts) in the U.S. from 1950 to 1987 describes three key constituencies that drove this process: residents seeking social exclusion and tax savings; real estate developers seeking the improvement of land; and industrial concerns seeking a well-served and lowly-taxed environment in which to
operate. Residents bring to this process the political legitimacy of their votes, while developers and businesses bring “the money, the organization, and the interest to channel these citizen desires and to make them succeed in risk-filled, expensive politics.”

Savitch and Vogel examined the formation of regional governments and agencies in an edited volume of ten case studies, and found, as Burns did with local governments, that the key to their development was a working partnership among public and private sector actors. “Look behind the formal trappings of government,” the authors warn, to uncover the underlying logic of governance. “By all accounts, Pittsburgh is one of the most fragmented regions of the country. …Under the fragmented form, however, lies a unifying net of business elites that ties the region together through public-private partnerships.” Pittsburgh is a single unique example, but the overall concept holds true across each of the editors’ case studies.

In short, the postwar political science and policy literature offers considerable evidence to support the argument that “local” and “regional” governance mechanisms are just as much alike—in the purposes they serve, in the pressures to which they respond, and in the manners in which they were developed—as they are different. That is, while the literature has generally treated them as distinct phenomena in competition with one another, there is an alternative, perhaps equally instructive way to assess them, and that is as complementary facets of a single system.

In a similar way, the urban history literature to this point hints at, but never directly tackles, the development of a singular system of regional governance and planning. Rather than splitting along the line separating local governing processes from
regional ones, the historical literature generally splits between the putatively distinct phenomena of city and suburb.

Arnold Hirsch, for example, describes the intersection and mutual reinforcement of private and public power in the segregation of Chicago’s black poor into a “second ghetto” of public housing projects. Institutional actors like the downtown business community and the University of Chicago manipulated the levers of state and local government to make the largesse of American federal liberalism responsive to segregationist neighborhood-level priorities. Though Hirsch’s account is confined to the central city, it provides a model of the kind of “vertical” analysis of several levels of government interacting symbiotically around a common purpose, at the direction of an enduring coalition of private actors, which this dissertation seeks to replicate.15

On the other side of the coin, Teaford investigates the creation of suburban governments and special-purpose districts in the postwar period, and reports a familiar story. Continuing the thesis he presented in his earlier work, Teaford characterizes the hodge-podge of local governments and special districts that formally govern suburbia not as an unintentional chaos, but as the result of an ongoing negotiation by privileged suburbs to accrue the benefits of an urban tax base, while carefully avoiding the responsibilities and tax burdens that might come with it. He charts this process in six wealthy, suburban counties in the postwar period, including metropolitan Detroit’s Oakland County.16

Works like Hirsch’s and Teaford’s taken together strongly suggest the possibility of a single metropolitan regime guiding both the urban and suburban processes, but the historical literature is only beginning to tackle regional history as a singular topic. Greg
Hise, for example, argues that separate narratives of suburban expansion and city decline are highly problematic. “Uncovering the loosely knit but mutually reinforcing decisions and actions of home builders, industrialists, financiers, home buyers and governments offers us a different history. …[These actors] thought in terms of a coordinated metropolitan system, a network of integrated communities. They did not dichotomize the urban landscape into a core and periphery, a city and suburb.” Hise is primarily concerned with the private actions of mass builders and does not investigate the formation of planning institutions.\(^{17}\)

The analytical challenge is to take the entirety of the metropolitan region as the unit of analysis (something both political scientists and historians have been reluctant to do; only regional economists have long operated at this scale), and describe its political function and the resulting planning outcomes. The works reviewed here strongly suggest that there is indeed a singular metropolitan framework that has established so-called “local” and “regional” planning processes not as oppositional but as complementary political institutions. This dissertation furthers our understanding of that process by tracking it across several substantive fields of planning in one metropolis over time.

The goal, therefore, is to add to the regionalist understanding so powerfully advocated by Rusk, Orfield, and others by fleshing out the complicated nature of the metropolitan political system they seek to reform. In the application of these authors’ regional perspective on urban challenges, the academic and policy literatures have been too quick to assume a choice between, on the one hand, the empowerment of formal regional agencies, and on the other, the reification of municipal power. It is easy to assume that enacting policy at the regional scale requires an institution that formally
operates at that scale. The debate over metropolitan equity as advocated by Rusk and Orfield, therefore, easily slides into a debate over the merits and practicalities of creating new regional governments or agencies.

The literature reviewed above, however, strongly suggests that regional policy imperatives are embedded throughout the symbiotically nested layers of governance in the metropolis. To pursue metropolitan reform along Orfieldian lines may require something at once more simple and more complex than creating new structures of metropolitan government: more simple in that the relevant institutions are already in place, and “only” their substantive priorities need to be altered; more complex in that the task at hand is ultimately not one of institutional tinkering with voting mechanisms and formal powers, but changing the aggregate political preference of the metropolis as a whole.

Methodology

This dissertation consists of a historical case study of the development of planning institutions across the local-regional spectrum in the Detroit metropolitan area over the period 1950 to 1993. It provides a narrative account of the key political actors and processes involved in shaping the form and content of planning policy over time.

All three facets of the research design—the focus on history, the use of the case study, and the attention to the single case of Detroit—are necessary to provide the kind of insight into contemporary regional policy debates to which this research aspires.

A historical examination is essential because it provides a means for the researcher to look beyond the mechanisms of formal control that seemingly distinguish
local and regional planning institutions from one another. By analyzing the genesis of these institutions and their function over time—how they were created, how they evolved, and why—the research offers unique insight into the governing mandates, the tendencies, the capacities and incapacities, of each of these institutions. The political science literature terms this approach “historical institutionalism.”

Because the research aims to describe the entirety of the metropolitan planning framework, including everything from local governments’ zoning powers to regional water service, and especially the inter-relationships among the different institutions responsible for these policies, the case study method is most appropriate.

This research is fundamentally concerned with the nature of regional politics, and how those politics relate to on-the-ground planning. It seeks to challenge a dominant set of assumptions about how the metropolitan region is governed and planned. It takes a close and careful observation of one place to develop a full enough narrative to fully engage those assumptions. The literature on planning and politics makes ample use of this approach and with great success measured by the frequency with which such works are assigned to students.¹⁸

As a practical matter, it is only possible to develop this narrative for a single case within the confines of the dissertation process. In a perfect world, the research might include a second or third case to bolster the evidence provided by the first, and to see what insights emerge from comparing different metropolitan areas. While the single case study does preclude the possibility of explicit comparison, it provides ample opportunity for the reader to implicitly compare the story that emerges to their own city. Planning,
after all, is an applied field of study, and even quantitative analyses of average effects must be compared to the specific locale of any planning intervention.

So while the single case study has its limits, it clearly can provide substantial insight beyond the narrow confines of the singular case. The final methodological question to be answered, then, is: which case to study?

Detroit perfectly fits the bill of the exaggerated case, which presents many of the same characteristics of other cases, but in greater quantities that allow the underlying story to be seen in sharper relief. Detroit has unhappily, though not without reason, come to serve as the nation’s shorthand word for urban blight. In popular rhetoric, Detroit is used to indicate overwhelming urban dysfunction and decline, in a way that can’t help but make other places seem better by comparison. But this rhetorical device conceals an unfortunate reality. While Detroit may have suffered most dramatically from the effects of industrial decline, urban disinvestment, and racial divisiveness in the late 20th century, these same forces have changed the landscape of scores of American metropolitan areas.

Figures 1 and 2 demonstrate in a cursory manner what any number of descriptive statistics convey: the change in Detroit in the period 1960-1980 was quantitatively more severe, but qualitatively quite similar, to what was occurring in urban regions across the country in the last half of the 20th century. Cities were losing population relative to their surrounding suburbs, and this migration was racially uneven; blacks were making up a steadily greater proportion of declining core city populations. These population shifts are the seminal events of post-World War II urban history; they both influenced and were influenced by the changing institutions of planning the metropolis that are the subject of this dissertation. Precisely because of the exaggerated nature of Detroit’s change, it
provides an intriguing region in which to set this case study, because it provides in sharp relief and great quantities the same overall trends that have deeply influenced so much of the recent history of metropolitan America, especially in the Northeast and Midwest.

Fig. 1.1


![Graph showing the percentage of black population in selected U.S. cities from 1960 to 1980.](image)

**ANNUAL INCREASE**

- DETROIT: 1.7%
- BALTIMORE: 1.0%
- CHICAGO: 0.8%
- PHILADELPHIA: 0.6%
- NEW YORK: 0.6%
- U.S. CITIES: 0.3%


Fig. 1.1: The pattern of Detroit's demographic change in the postwar period was similar to that of other U.S. cities, but the change was more pronounced.
Detroit provides, in a sense, the best of both worlds for case study research. It is a typical case, in that it experienced change similar to that of many other places, but it is an extreme case, in that the changes were especially rapid and extreme. Detroit may not be exactly typical of other places, therefore, but it can be especially instructive.

As much as other places are like Detroit more than they would care to admit, there are, obviously, major differences between Detroit, and the Rust Belt experience it typifies, and places like Albuquerque, the Sun Belt city whose annexation and “elasticity” David Rusk has rightfully cited as an example of successful regionalism. There can be no doubt that Detroit and the other cities of the Rust Belt pursued their postwar
development in an environment very different from those of the Sun Belt. Federal investment in modern defense industries in the American south and west drove a fundamental shift in prosperity away from the “dirty” industries of the north and east and put Detroit and cities like it in a very difficult position.\textsuperscript{19}

In using Detroit as a single case from which to draw conclusions about American regional planning in general, I am not ignoring these vast differences in circumstances that distinguish a Rust Belt city from one in the Sun Belt, or any of the other distinctions by which one could separate Detroit from other places. The history and (often distressing) peculiarity of Detroit with which this research is concerned is by no means meant as a simplistic substitute for the histories of other American places. The Rust Belt/Sun Belt distinction alone demonstrates the foolishness of such an approach.

But just because two cases are very different does not mean that we can not find some commonality among them. The argument that this study makes is that, amidst the unique mixture of Detroit’s postwar economic struggles, its racial tensions, and the actions of a specific cast of characters, the metropolitan body politic fashioned a set of institutional arrangements for planning the region according to a particular set of metropolitan preferences. Having uncovered and described this process in the Detroit metropolitan area, I strongly suspect there is a parallel story, involving a different set of circumstances and actors, to be told not just in other places like Detroit, but even in the Sun Belt cities like Albuquerque. As important as the story of Rust Belt/Sun Belt divergence is (as well as other narratives of American metropolitan history rooted in federal policy), so too is the story of individual metropolitan areas, based on their own politics, planning their own regional development.
In order to characterize the variety of policy making institutions that constitute the system of planning the metropolitan region, the interrelationships among them, and the history of their formation, the dissertation examines the history of four areas of planning in metropolitan Detroit in the 20th century. These areas are:

- land use, especially the changing definitions of, and powers granted to, municipal jurisdictions;
- transportation, especially the state-local partnership in local road construction;
- transit, focusing on the bifurcation of metropolitan transit service into separate city and suburban systems; and
- water service, with special attention to the City of Detroit’s expansion of its system to meet suburban needs.

While each of these issue areas is putatively under the purview of one or another level of government (land use planning and road building by municipalities, transit by the city and a consortium of suburbs, and water by the city-owned regional utility), each in fact is embedded to varying degrees in multiple tiers of the federalist structure. Purely local zoning, for instance, is contingent on the delegation of state authority and the review of state and federal courts, on county and state regulation of public health and the environment, and on infrastructure planning conducted by a separate nest of institutions.

While the research and writing are organized along the lines of these four seemingly distinct areas of planning, the overarching argument concerns the commonalities and distinctions in the way each set of institutions was formed and evolved, and how these seemingly disparate planning activities may work as a coherent whole.

In answering the question of how today’s institutional framework for planning one metropolitan region was developed, the research pays special attention to both the form and content of different institutions’ decision making.
By form, I mean the “rules of the game” that guided decision making. How was it decided, for example, that road building putatively carried out by municipalities would in fact be a state-funded, state-planned and state-regulated activity?

By content, I mean the substantive decisions that each set of institutions made. Whose interests were served and whose ill-served by various decisions? Was Detroit Mayor Coleman Young’s embrace of the development of peripheral water service in the interest of his city’s residents, or only in the interest of the downtown developers he courted so assiduously? To what degree was the content of the decision making determined by the form of decision making, and what modifications were made to the form based on the content?

In tracing the development of the institutions and powers responsible for land use regulation, water service, roads, and transit in metro Detroit, the dissertation proceeds roughly in order through the postwar decades of the 1950s, ‘60s, ‘70s and ‘80s.

The key institution for building the expanding local road network of postwar sprawl in metropolitan Detroit was the state legislature’s passage of Public Act 51 of 1951, a law that to this day pays for and guides all road development in the municipalities of metro Detroit. Chapter 2 tells the story of the act’s passage, at the behest of the same powerful highway lobby that would later enact the federal interstate highway act, and its subsequent operation.

In the later 1950s and early 1960s, the City of Detroit’s water department embarked on a massive building program to serve the water needs of a rapidly expanding metropolis. Though the agency was then and is to this day a department under the control of the City of Detroit, it nevertheless deliberately chose to build a steadily wider
and more far-flung water supply network to serve areas far beyond the city limits. Chapter 3 tells the story behind this city agency’s responsiveness to the mandate of metropolitan expansion.

Chapter 4 tackles the creation of the governmental institution most closely associated with planning: the municipal governments responsible for land-use zoning in the metropolis. In 1960, the existing rules governing municipal government in Michigan were standing in the way of Detroit’s metropolitan growth. Metropolitan political leaders organized a state constitutional convention in 1961 to completely rebuild local governance; in that convention and in subsequent legislative acts, they granted certain powers to municipalities and reserved others to counties and larger agencies, granting small-scale governments exclusionary power they had previously lacked, but withholding authority in areas where independent local governments threatened the needs of the larger metropolitan area.

By the early 1970s, the overhauls to metro Detroit’s systems of building roads, providing water service, and governing municipalities had been in some respects too successful. The sprawling metropolis had left behind a central city poorer and blacker than its surrounding suburbs, the downtown was crumbling, and the region’s transit service was a shambles. A series of state-level interventions resulted in a new subsidy for transit, but also in a pair of independent bus systems, one serving only the City of Detroit, and another the suburbs; like the institutions profiled in the earlier chapters, this arrangement remains in place to this day. Chapter 5 recounts this final example of metropolitan institution-building and its operation in the 1970s and ‘80s.
Together, these four institutional case studies in one metropolitan area document the degree to which governance in the metropolis is a much more complicated process than the simplistic dichotomy between powerful “home rule” municipal governments and weak regional agencies allows for. Chapter 6 concludes the dissertation by synthesizing the four substantive chapters into a characterization of the process and outcomes of institution-building in a single postwar metropolitan area. It identifies the key actors and process behind the construction of today’s institutional landscape, and it takes a step back from the narrative detail of the cases to observe what larger processes are at work. Ultimately it argues that, beneath the specifics of individual people making choices peculiar to metropolitan Detroit’s circumstances, there is a more broadly applicable story here, an account of governance in the metropolis as the work of a complex of institutions, each designed by metropolitan political actors around and responsive to a metropolitan agenda, and therefore serving a particular agenda for the metropolis not out of happenstance, but as a result of conscious, intentional, repeated policy making.


6 Benjamin and Nathan, Regionalism and Realism.


9 Ibid., p. 105.


Chapter 2

Roads

In April 1950, the chairman of the Automotive Safety Foundation, Alexander Fraser, spoke to hundreds of corporate executives assembled for the weekly luncheon of the Economic Club of Detroit. Heading the Automotive Safety Foundation was only ancillary to Fraser’s main job; he was also chairman of the Shell Oil Company. Though at first glance one might wonder what the oil business had to with automotive safety, the two jobs were in fact quite complementary, and in the published version of his speech Fraser listed both titles beneath his name. This is because the ASF believed strongly in a particular approach to safety: the constructing and widening of modern roads to eliminate congestion, providing for the free, unfettered—and therefore safe—flow of automotive traffic. Those freely flowing autos, of course, would require fuel in their tanks. The Automotive Safety Foundation, in fact, had been spun off from the main auto industry lobby, the Automobile Manufacturers Association, prior to World War II.¹

In his speech titled “Road Blocks on Our Highways,” Fraser warned that the nation’s road building was not keeping pace with its automotive production, and that the resulting congestion posed a serious threat to long-term demand for cars. “Detroit is in the business of turning out cars,” Fraser said, “but if the cars coming off the assembly lines have a decreasing utility and mobility, the well-being of the automotive and related industries is seriously threatened.” Postwar prosperity and “the decentralization of our
major urban areas into suburban shopping and residential centers...seem to portend an almost unlimited potential for increase in automotive mileage,” he argued. “But this is dependent upon highway development’s maintaining a pace commensurate with the increase in the number of motor vehicles.”

After reciting a litany of statistics and anecdotes that dramatized the congestion problem, Fraser said

The extent to which these conditions are affecting the economic vitality of the passenger car is not easy to evaluate. We do know, however, that there have been recent indications that the curve of average annual mileage per passenger car has been leveling off after a steady upward trend over the last quarter of a century. It is estimated that the average mileage per car in 1949 showed practically no increase over the 1948 mileage. One thing is certain: all this adds up to a threat to the automotive, rubber, petroleum and allied industries.

Fraser concluded on a hopeful note. “By marshaling all the elements at the state and local levels we can be reasonably assured that the combination of know-how, ingenuity and talent which created our modern vehicles will succeed in eliminating the ‘road blocks’ which are today threatening to strangle our automotive transportation economy,” he said.²

Almost exactly a year later, the Michigan legislature passed a law, still largely in effect, that provided for a massive state-local partnership devoted to the construction of new roads; as it did at the federal level and in many states, the Automotive Safety Foundation and the highway lobby it embodied played a central role in this process.

This law constituted in many ways a regional plan for road and street development in metropolitan Detroit. It was not a plan in the narrow sense that it sketched out the locations of roads, but it nevertheless guided and enabled a fundamental reshaping of the region’s transportation infrastructure. It was a policy designed by its
authors to remake the physical form of the metropolis according to a particular vision of metropolitan development. This policy, while it operated at the metropolitan scale, did not require any formal institutions governing at the metropolitan scale in order to succeed. The text of the law makes reference only to the state, county and city governments, yet it is clear from the evidence that the authors’ vision for metropolitan development, voiced so clearly in Alexander Fraser’s speech, guided the policy’s construction. The local road network that provides one of the primary infrastructural foundations of metropolitan Detroit’s sprawl is, therefore, not really the result of a lack of metropolitan planning, but rather a different kind of metropolitan planning, one that does not formally announce itself as such, but in the goals it embraces and the outcomes it produces must accurately be described as the planning of metropolitan development.

The design of a massive, durable and highly effective road building machine was at first glance the product of near-unanimous support in the body politic. Officials at the state, county, and local levels, from urban, suburban and rural locales, all strongly supported an ambitious road building program. The Automotive Safety Foundation and the industries it represented served as a powerful organizing force, but there was ample demand from the general public independent of the industry lobby.

Nevertheless, the different interests that rallied around road building did so for their own, sometimes conflicting reasons. The City of Detroit’s elected leadership saw in the new road building program a solution to blight and an increase in the city’s attractiveness to industrial investors, while their suburban counterparts saw a boon to new settlement on the metropolitan fringe. The automobile and allied industries saw an
opportunity to publicly fund infrastructure friendly to their products, while government officials saw a near bottomless revenue source in the taxation of cars and trucks.

After years of study, debate, and finally approval by the narrowest of legislative margins, these interests built a virtual stand-alone road building bureaucracy. With its own dedicated funding source and singular purpose, it operated according to its own internal priorities through the state government and local governments. For metropolitan Detroit, the road building program’s underlying logic--its organizing mandate--was to decentralize the metropolis and subsidize development at lower and lower population densities. The legislators who created the program, and especially the engineers of the Automotive Safety Foundation who designed it, explicitly and implicitly embraced these priorities.

The passage of Public Act 51 of 1951 was the first in a series of steps taken by the leaders of metropolitan Detroit and the Michigan Legislature in the postwar era to remake the systems of government in the metropolis to make them responsive to the imperative of decentralized development. The particular way in which Act 51 did this was to simultaneously render individual municipalities in the metropolis both meaningless and indispensable to the road construction system. Cities were indispensable in that they were assigned by the state government the responsibility to build and maintain the vast web of non-highway streets in the metropolis. They were meaningless, however, in the collection of road money. The property tax through which most local governments function was deemed inappropriate and inefficient to serve the purpose of a large metropolitan road network, and so revenue collection was centralized at the state level, through taxes on fuel and vehicle weights.
This bifurcation of the road funding system allowed for a massive redistribution of revenue within the metropolitan region, from the central city where higher population density generated more traffic and more revenue, through the state’s distribution formula to those undeveloped areas where the existing population could not on its own support the level of new, peripheral road construction required by decentralization.

This story is important not only to the history of metropolitan planning and institutions with which this dissertation is directly concerned. It also adds a missing component to the longstanding historical account of metropolitan decentralization as a product of federal subsidy of interstate highways. Interstate highways are a critical part of the metropolitan road system, but they are no more important than the vast network of major and minor “surface streets”—from boulevards providing access to shopping malls and office buildings to residential streets serving single-family homes—draped across the metropolitan landscape. Only the interstate component of this vast web was primarily federally funded; it took a complementary state program operating at the metropolitan scale to build the other half. A historical discourse focused exclusively on federal action has the advantage of being relevant to urban areas across the country, but it runs the risk of focusing our understanding of urban decentralization disproportionately on federal action in faraway Washington, and failing to give proper weight to the ways in which local action and local policy making were and are a central component of sprawl.

**The Federal Context**

As early as the 1930s, the national highway lobby—a powerful coalition of the automobile, oil, and trucking industries and state and federal road building bureaucrats—
began to turn its attention away from the rural road construction that had previously been its main concern, and instead focused on the much larger frontier, in terms of potential automobile use, of the nation’s urban areas. In 1939, the then president of the Automotive Safety Foundation and the Studebaker Corporation, Paul Hoffman, wrote in the Saturday Evening Post that “our next great highway adventure is not to be in the big open spaces, but in and near the cities.” In his article, “America Goes to Town,” Hoffman quoted the highway lobby’s powerful champion in the federal government, U.S. Bureau of Public Roads administrator Thomas A. McDonald:

> It is essential to remember that a highway is intrinsically a local facility. It is not necessary or desirable to think of highways in terms of long-distance express routes built far out in the country at a maximum cost. We do connect one road with another and so build up a transcontinental, Lakes-to-Gulf, Mexico-to-Canada system. *But the principal function isn’t long distance.*

From the start, the effort to adapt urban America to automobile use was both nationally organized but focused on policy making at all levels of government. In 1944, McDonald’s Bureau of Public Roads wrote the seminal report “Interregional Highways,” the blueprint for the Interstate highway system that was to come. In his introduction to the report, McDonald argued that, despite its name, the most critical job of the “interregional” system was accommodating urban traffic:

> It is within and in the vicinity of the cities and metropolitan areas that through travel now experiences its most serious resistance and delays, resistance and delays that are abundantly shared by the heavy intraurban local traffic that tends to congregate on the same arterial routes. …Now, with congestion of the transcity routes replacing rural highway mud as the greatest of traffic barriers, emphasis needs to be reversed and the larger expenditure devoted to improvement of the city and metropolitan sections of arterial routes.
More importantly, the report argued that the federally financed highway system could provide only a small portion of the road capacity metropolitan areas required.

Obviously, it is not possible by any limited highway system, whatever the relative importance of its constituent routes, to serve all the needs of the nation’s traffic. Nor is it reasonable to assume that in and near the cities the routes included in such a limited system will if improved, provide a complete solution to the serious problem of city traffic congestion. Particularly in the cities, many other routes are probably of substantially equal if not greater importance, and improvement of the system routes should, therefore, not be advanced ahead of others of similar or greater local importance.6

The report argued that the provision of an adequate road system for metropolitan America would require the combined efforts of state and municipal governments, ideally coordinated through a metropolitan decision making system.

In some urban centers, cooperation between the State highway department and local authorities will be complicated by the fact that the metropolitan area will consist of several cities and perhaps one or more county jurisdictions and that decisions will need to be reached on a metropolitan rather than a city-by-city basis. Recognizing the difficulty of unifying a multiplicity of local agencies, the Committee believes that the creation of an over-all authority would be highly beneficial and desirable in complex urban areas.7

Cliff Ellis has argued that “Interregional Highways,” in the vision it established for a traffic system serving metropolitan America, constitutes one of the country’s most important regional planning documents. It did not, however, announce itself as such; though the report argues for the centrality of metropolitan highways serving intra-urban traffic, its putative concern was moving traffic between major cities. According to St. Clair, “the reason for advocating a transcontinental system to serve local traffic was simply due to the fact that federal participation could not be justified on the grounds of local traffic.”8
In the late 1940s, the highway lobby advanced its agenda simultaneously in Washington, where it argued for a federal trust fund devoted to Interstate highway construction, and in major cities and state capitals, where it sought to achieve the complementary system of metropolitan roads and streets that McDonald had argued in “Interregional Highways” was no less important than the forthcoming Interstate system. In fact, the committee that formally authored “Interregional Highways” included two state highway commissioners, C.H. Purcell of California, and G. Donald Kennedy of Michigan. These would be the first two states to take up the non-federal component of metropolitan road building.

In 1947, California went through much the same process that Michigan would four years later. The state legislature contracted with the Automotive Safety Foundation; it wrote a report recommending higher gas taxes and a segregated state fund to apportion the revenue to state, county, and municipal streets. The California legislature in turn passed the Collier-Burns Highway Act, which continues to govern road spending in that state to this day. The foundation published similar reports for many other states as well.9

In short, the story that follows of Michigan designing a new road funding system to foster metropolitan growth is correctly understood not simply as a local process, but as a local process very much embedded in and interacting with a larger, nationwide strategy to build the institutional capacity for a massive road and highway building program.

**Highway Needs in Michigan**

The vast majority of the money that built and maintained the roads and streets of metropolitan Detroit in the second half of the 20th century came from the State of
Michigan. In 1957, 66 percent of all spending by city and county governments on roads under their jurisdiction—including everything from city streets to commercial thoroughfares to suburban cul-de-sacs—came from the state government. Twenty years later, the proportion had risen to 81 percent. The postwar metropolitan road network was a product of a state-local partnership, still in operation today, in which local governments exercised day-to-day control and provided a minority of the funding, while the state government paid the majority of the cost and, in directing how its money would be spent, exercised overall control.

The state instituted this system in Public Act 51 of 1951, a law for all intents and purposes written by Alexander Fraser’s Automotive Safety Foundation. In every material respect, Act 51 incorporated the recommendations made in a 1948 report written by the Automotive Safety Foundation and published by the Michigan Good Roads Federation, the state’s highway lobby, under contract to the state legislature. The report, “Highway Needs in Michigan,” provided a blueprint for both the physical construction of roads in metro Detroit and the state—what purposes roads should serve, where they should be located, how much capacity they should have—and for the financing of such a system—how much revenue should be raised, from whom, and how it should be distributed.

The history of metropolitan Detroit’s postwar road network essentially begins with the “Highway Needs” report, the priorities it embraced, and the institutional architecture it advocated. After examining the 1948 report (and a 1955 follow-up) in some detail, this chapter will examine its codification by the state legislature in 1951 and its operation over the ensuing decades.
The 1948 report marked the culmination of a two-year process of data gathering, coalition building, and advocacy administered by the Good Roads Federation, a lobbying group made up of three sets of interests: government officials, especially city and county officials and highway bureaucrats at the state and federal level; the road building industry; and industries whose products relied on roads, including automobile manufacturing, trucking, and oil.\textsuperscript{11}

The federation’s membership is represented best by its Highway Study Committee, which essentially served as the group’s executive committee. It consisted in 1946, when it initiated the “Highway Needs” study, of Jay Gibbs, the city manager of the Detroit suburb of Ferndale and president of the Michigan Municipal League; LeRoy Smith, director of the Wayne County Road Commission in Detroit, representing counties in the state; state highway commissioner Charles Ziegler; Richard Harfst of Detroit, the director of the Automobile Club of Michigan; Don Smith of Detroit, head of the trucking industry lobby in the state; and Walter Toebe, head of the state road builders’ association.\textsuperscript{12}

It is interesting to note that, though the three-county Detroit metropolitan area made up only about half the state’s population and the state legislature was dominated at the time by rural interests, most of the Highway Study Committee’s members were from the Detroit area, even those representing statewide groups like the municipal league and the automobile club.\textsuperscript{13}

The public-private alliance at the heart of the road building effort is made plain by the “Highway Needs” report itself. It was published by the Good Roads Federation, itself a lobby made up of government and industry representatives, on behalf of a special
committee of the Michigan Legislature. The U.S. Bureau of Public Roads paid half the cost of the study, with the other half borne by the Good Roads Federation members. State Highway Department employees oversaw, and local officials conducted, the survey work that catalogued the extent and condition of the state’s entire road network, while the industry-funded Automotive Safety Foundation conducted the analysis and wrote the report.\textsuperscript{14}

The 1948 report, fully titled “Highway Needs in Michigan: an Engineering Analysis,” had two central purposes: first, to argue that a road building program was necessary for the economic and physical well-being of every one of the state’s citizens, and second, to lay out the terms under which such a program should go forward. As the title indicates, the report’s authors were keen to couch their recommendations in the language of engineering, as though an objective analysis of the relevant figures led inevitably to the report’s conclusions.

In its content and appearance, however, the “Highway Needs” report is clearly an exercise in advocacy rather than simple number crunching. It is laid out like a lengthy magazine article, with illustrative photographs and color graphics, and boldly captioned columns of text equating the road lobby’s needs with the public’s:

Automotive transportation provides direct access to homes and factories, stores and churches, parks, schools, and offices. The motor vehicle fulfills the complex and highly individual transportation requirements of the average citizen more completely than any other mode of travel. That is why the administration of highways has come to be recognized as a basic duty of government. No less than the services of protection, education, and the post, the highway touches the life and livelihood of every citizen, and in breadth and importance of function it is surpassed by none of them.\textsuperscript{15}
The report focused on making existing roadways in the state—whether long-distance highways or urban streets and thoroughfares—more efficient and more safe by rebuilding them to new, higher standards and with higher traffic capacity. It said more efficient highways would speed supplies to industrial plants, produce to market, and tourists to vacation spots, carefully touching on each major element of the state economy. And less congested urban routes would make everyone safer:

The tragic toll of deaths and injuries on Michigan’s highways—and the huge social and economic losses it involves—are unnecessary. Experience has clearly shown that sound engineering in highway design, construction, and operation, plus unremitting effort in support of a balanced safety program, can bring about a great reduction in traffic accidents.

The authors’ equating of road capacity with safety is neatly expressed in the graphic extolling the virtues of expressways:

![Expressways Are Safe Ways](image)

**Figure 2.1.** An illustration from the “Highway Needs” report compares the accident rates on expressways to those on neighboring streets. It shows the rate on the expressways as 1, and the rates on nearby streets as multiples of the expressway rates.

Having established the need for a road building program, the report’s authors argued that such a program required not just more revenue devoted to the task, but a complete overhaul of the way road construction was administered. Specifically, the report urged that all state-collected road revenues be consolidated into a single fund, which would then be distributed by formula among the state, counties and cities for everything from inter-city highways to city streets and rural roads. At the time the report was written, road funding in the state was a hodgepodge of individual revenue sources devoted to individual projects and agencies at the state, county, and municipal levels.

This system, the report argued, ran counter to the functional reality of the road system.

Traffic knows no political boundaries. Cars move freely over the roads from one jurisdiction to another. Motorists expect reasonable uniformity in standards of construction, maintenance, and operation of general-service roadways on the various systems. To bring about greater uniformity, and to make possible more efficient administration, statewide coordination of highway management is needed.\(^{16}\)

The report advocated, and the legislature subsequently implemented, a system whereby all state fuel tax revenues and license plate fees went directly into a State Highway Fund. A formula would govern the distribution of those funds among the state, counties, and cities, but the local governments would be subject to state limitations and guidelines on how they could spend the money. The state would classify roads into one of several categories, from state trunklines to local city streets or rural roads; the classification would determine whether the state, county, or city had responsibility, and what the level of state funding would be. Thus, as the report acknowledged, while the road funding system would make use of local governments, they did so according to a set of requirements encompassing a broader set of needs. “If the best possible transportation service is to be provided at minimum cost, all roads and streets on all systems within the
state – 10-foot farm roads, Michigan Avenue in Lansing, and the Detroit Industrial Expressway – must function as segments of a single network. This means that close coordination of the activities of all highway agencies is essential.”

Behind the consensus building rhetoric of safe, free-flowing roads and efficient administration, however, lay an important contradiction. In retrospect (as a later portion of this chapter will demonstrate), it is clear that the road building program described in the “Highway Needs” report and enacted by the legislature paid for a raft of new construction—not the replacement of existing city streets with newer ones, but the extension of large-volume traffic capacity into previously rural areas, and the conversion of rural areas into suburban development. That is, the well-oiled bureaucratic machine of road finance envisioned in the report did not simply overhaul the existing road infrastructure to make it function better, it built a new transportation system for what Robert Fishman has aptly called the “new city” of suburbia.\(^\text{17}\) This was no accident. As a later Automotive Safety Foundation analysis of the 1951 funding law would make plain, a road-building bureaucracy unified at the state level was not simply a more efficient way to carry out road policy, it was a prerequisite for the shifting of revenue out of cities and into undeveloped areas that lay at the core of the road lobby’s ambitions.

The “Highway Needs” report itself made scant mention of the possibility that its recommendations were designed to or would lead to the extension of roads into previously unserved areas. Instead, the report repeatedly gave the impression that its desired road building program would only improve the existing system. In the chapter devoted to quantifying the state’s needs, the authors wrote,
To measure Michigan’s highway needs comprehensively, practically, and conservatively, requires that these needs should be broken down into their three basic elements:

- Deficiencies in the existing road plant which have accumulated over the years.
- Annual replacements required in future years while accumulated deficiencies are being eliminated.
- Annual maintenance work needed to keep the road plant in proper condition.

Each of these elements must be separately evaluated. Together they add up to Michigan’s total highway, road, and street needs over any given period of years.¹⁸ [emphasis added]

But when the Automotive Safety Foundation conducted an after-the-fact analysis of the 1951 law, again commissioned by the state legislature and published by the Good Roads Federation, its report made clear that wholesale expansion of the road network was in fact central to the undertaking. One key feature of the state’s funding system enabled it, in fact required it, to accomplish this task. The funding system intentionally redistributed revenue from areas of higher population density to areas of lower density, systematically adding traffic capacity at the metropolitan fringe.

This redistribution resulted from an important exception to the highway lobby’s passionate argument that the road and highway system was a user-funded system. That is, taxes on fuel and vehicle registrations must be spent for the exclusive benefit of road users. The 1955 report, favorably reviewing the enactment in 1951 of the “Highway Needs” recommendations, put it this way:

The Legislature’s first responsibility is to the highway users. On them it has imposed the principal burden for highway support. To them as a consequence, it owes a duty to achieve a sound and fair distribution of user-tax moneys so that their needs and interests will be met. The Legislature’s second obligation is to the local subdivisions of government, for the State has assigned to them responsibilities for providing local roads and streets, but has retained for itself exclusive control over the most popular and effective means of financing highways. …Highway needs remain the only consistent and practical basis for directing the expenditure
of the funds. Any other course would prevent the State from fully discharging its obligation to highway users.\textsuperscript{19} [emphasis in original]

Although road lobbyists were passionate in this and many other instances that gas tax revenues be spent on roads alone, this principle of “user fees” only went so far in determining how that revenue should be distributed, that is, on \textit{which} roads it should be spent. If one were to take this approach to its logical conclusion, then the distribution of road revenues would be made according to traffic flows: the routes or the jurisdictions with the most traffic would get a proportionately large share of road revenue. As the 1955 report put it, revenue would be distributed on an “earnings basis.” The problem with this approach was that

Local governments having large mileages of lightly traveled roads, for which user earnings are low and road costs high on a unit basis would be seriously disadvantaged. The larger cities with heavily traveled streets would almost inevitably receive a surplus of revenues over costs.

Instead, the 1951 law distributed revenue according to a “needs basis”: revenue flowed to wherever roads were incapable of handling demand. The 1955 report acknowledged and applauded the redistribution that such a system would accomplish. It cited the example of two local governments, Jurisdictions A and B. Both have road needs of $100,000; A, with a higher population density (for example, a city), generates exactly that much in revenue, while B, with a lower population density (a suburb), generates only half that. So there is $150,000 to be distributed, and $200,000 worth of needs.

On an earnings basis A would get $100,000 and no local effort would be required. B would get $50,000 and be required to raise $50,000 if it was to have an adequate program. On a needs basis each would get $75,000 in user revenues and be required to raise $25,000 by local effort. …[Under the needs-based system,] users as a class would not be prejudiced although it is true, of course, that \textit{earnings would be shifted among jurisdictions} and the result would be a certain amount of equalization of local effort.\textsuperscript{20} [Emphasis added.]
In short, the perfect road funding system is that which takes from each jurisdiction according to its ability to pay, and gives to each according to its need. Need here is defined not in terms of the receiving jurisdiction’s relative wealth, but only whether it has sufficient road capacity. A developing suburb, no matter what its own resources, is defined as needy under this approach, and receives a subsidy from a more-developed locale. This is justified by the fact that “as a class,” road users are not made any worse off; road-generated revenues continue to be used for roads.

This redistribution took shape in the road funding law as a funding formula for city and county roads that depended on each jurisdiction’s population and the road mileage under its control. An “earnings-based” distribution formula would have taken into account how much revenue a particular jurisdiction generated, i.e., how much traffic it handled. But this formula instead doled out money on the basis of “need”, as estimated by a community’s road mileage and population. At a later point, this chapter will address in detail how this funding system functioned in the decades following the adoption of the funding plan; for now, it is important to understand that redistribution from more populated jurisdictions to less populated ones was a central, intentional facet of the system.

A second, related mechanism facilitated the development of road capacity at the metropolitan fringe. The funding system recognized only two kinds of local jurisdictions—city and county—and two corresponding kinds of local roads—urban and rural. Streets within city limits were “urban” and those outside of city limits were “rural,” no matter what demands were placed on them or what the surrounding land uses
were. This is an important distinction, because “rural” county roads were funded almost entirely by the state, with no local effort expected, because low population densities in such areas did not provide much tax base; in fact, the state had years earlier abolished the practice of having rural townships (county subdivisions) pay for roads, because the townships did not reliably fund them. Cities, meanwhile, were expected to generate a significant portion of their own road revenue from their larger tax base.

This distinction between urban city streets and rural county roads completely broke down, however, in the rapidly developing unincorporated areas adjacent to cities. The 1955 report, for example, made mention of the need for “rural multi-lane county primary roads.” The obvious contradiction between “rural” and “multi-lane” was clarified by the authors: “The multi-lane facilities are generally short stretches of road through suburban unincorporated areas adjacent to municipalities.” But these “short stretches” amounted to over 400 miles of multi-lane highways in the three counties of metropolitan Detroit alone—more than half of all such spending in the state—and all of it outside the incorporated areas of existing cities. A diagram in the 1955 report described such work in Kent County, home to the state’s second largest city of Grand Rapids, and clearly demonstrated how this “rural” county road funding was in fact designed to serve urban needs on the developing fringe of the city. Suburban road building, in other words, was not formally acknowledged in the funding system’s strict hierarchy between urban city and rural county, and so was paid for at the generous rate of truly rural roads, while requiring the investment of urban traffic capacities. Because these multi-lane thoroughfares were built atop previously existing rural dirt roads, they could technically
be called improvements to the existing road system, but were for all practical purposes an extension of new infrastructure into previously unserved areas.
The “Highway Needs in Michigan” report classifies as “rural” multi-lane thoroughfares that are clearly suburban in nature, expanding traffic capacity outward from the boundaries of the cities of Grand Rapids and East Grand Rapids.
Here lies the mandate embodied in the “Highway Needs” report. In declaring that a system of free-flowing automotive transportation was synonymous with the general welfare of all of the state’s citizens, the highway lobby justified a massive shift of revenue from wherever people lived at higher densities to where they lived at lower densities—not just from the metropolitan areas to the rural, but within the metropolitan areas from the urban to the suburban. It solved the conundrum at the heart of Alexander Fraser’s desire for more “floor space” to accommodate motor vehicles. The sparsely settled places that did have floor space could not generate the revenue required to develop roads and highways. The cities that could generate revenue were out of floor space. Building a transportation infrastructure that accommodated cars required a mechanism for transferring wealth from cities to less-developed places. The gas tax, collected at the state level and redistributed according to “need” was just such a mechanism: where cars traveled, infrastructure funding would follow, without regard to where the revenue had come from.

**Passing Act 51**

In retrospect, the city-to-suburb transfer at the heart of the “Highway Needs” report was a raw deal for the City of Detroit. At the time, however, Detroit’s elected officials in the state legislature provided the crucial votes to secure the passage of those recommendations into law. In fact, none of the political actors at the time questioned the central argument that a massive road building program was in everybody’s interest, though they did dispute just how massive it should be, and who should pay for it.

The first controversy erupted among the members of the Good Roads Federation itself. The “Highway Needs” report was published in 1948, but throughout 1949 and
1950, the highway lobby was split between, on the one hand, the industries that would fund the program through taxation on their products or the use of their products—the auto manufacturing, trucking, and petroleum industries—and on the other, those that would receive the revenue—the state and local governments and the road building industry. The former group wanted a smaller program, requiring less taxation, than the latter.\textsuperscript{21}

In 1950, these “tax paying” members of the Good Roads Federation temporarily resigned from the federation over the disagreement regarding the size of the road building program. Perhaps because the split was standing in the way of passing any legislation at all, the two sides patched up their differences at a meeting late in 1950, and agreed to advocate an increase of two cents per gallon in the state gasoline tax, to five cents per gallon.\textsuperscript{22}

The legislature was itself divided over the related question of how a road building program would be funded. Democratic Governor G. Mennen “Soapy” Williams and his backers in organized labor urged the legislature to fund road construction through a new tax on corporate profits. Williams’ approach would have differed from the road lobby’s in two important ways. It would have made corporations, not motorists, pay for the road expansion program, and it would have lumped the roads program in with the rest of the state budget, rather than establish the stand-alone bureaucracy at the heart of the Good Roads Federation program.\textsuperscript{23}

It appears that Williams and organized labor did not actually oppose the substantive aims of the highway lobby, but rather sought to use the political clamor for a road-building program as a device to bring a new corporate tax into the state’s revenue stream. Governor Williams repeatedly expressed support for the road-building goals of
the Good Roads Federation, and argued that his tax was simply the preferred method for accomplishing those goals.

Republican majorities in the state house and senate passed the so-called “Good Roads” package of bills in April, 1951, including a one-and-a-half cent increase in the gas tax. Amid negotiations over a series of taxation bills, the rest of which had no connection to the roads issue, Williams vetoed the bill raising the gas tax. He argued that it devoted too much of the state’s taxing power to just one priority, at the expense of others:

The gas tax lobbyists have contended that if the present bill is not made law, the road program will be blocked. That is not true. There is not [sic] real reason why a road program consistent with our needs should not be made immediately effective, along with a program to meet the rest of our state financial problem. …The people of this state expect to pay, and are willing to pay, the taxes necessary to maintain the government and our essential services. I have urged passage of legislation to increase our revenues to the amount necessary to maintain our roads, our schools and colleges, our hospitals, our state police, our civil defense organization, and other essential services.24

The rural-dominated state senate, where Republicans held a more-than-two-thirds majority, voted along party lines to override Williams’ veto. The state house was also controlled by Republicans, but they were one vote shy of the two-thirds majority necessary to override the veto. When the house first attempted to override Williams’ veto, representatives voted along party lines and the attempt failed. But the Republican House leadership scheduled a second vote five days after the first, hoping that in the meantime enough recalcitrant Democrats could be persuaded to break ranks.25

During the intervening period, Detroit’s Republican mayor, Albert Cobo, lobbied the city’s Democratic representatives to vote to override the veto. The city was planning a massive expressway-building program which depended, he argued, on the passage of a
gas tax increase. Cobo’s director of public works, Glenn Richards, told the Detroit city council that “unless the tax is increased the expressways are going to be delayed because the State is not going to issue the bonds which have been provided for if it does not anticipate enough revenue to retire them on the proposed schedule.” He also told the council that “he personally favored the gasoline tax on the theory that highway users should pay highway costs.”

On May 24, 1951, four Detroit Democrats voted with all Republicans in the state house and provided the margin to override Governor Williams’ veto of the gas tax increase. “They said the deplorable condition of Detroit’s pavements and the City’s need for expressways to relieve traffic congestion outweighed all other considerations,” according to a newspaper account.

Though the passage of the legislation codifying the recommendations of the “Highway Needs” report was controversial, it is clear that the controversy centered on means, not ends. The virtue of building roads and doing so through an independently operating state-local bureaucracy went unquestioned. Williams, though he vetoed the gas tax increase and allowed a bill raising truck registration fees to become law without his signature, signed without any mention of reluctance the bills that would form the heart of the road building bureaucracy thereafter: those establishing the single, dedicated state fund to pay for roads, the apportionment of funds among the state, counties, and cities, and the requirements and obligations of each road agency in the system. Just four years later, the state would raise the gas tax another one-and-a-half cents; the two tax increases together constituted a doubling of the state’s road-building effort.
Conclusion

Figure 2.3 demonstrates that Act 51 accomplished over time exactly what its architects intended it to. Road construction in the cities of metropolitan Detroit had been, prior to the act, a primarily local affair. In 1952, cities bore more than half the cost of building and maintaining their roads; by 1977, the state paid more than three-quarters of the cost. Twenty-five years after the implementation of Act 51, spending on the total local road network in the three-county metropolitan area—on city and county streets and roads, not state highways or interstates—was almost exclusively a state undertaking, with over 80% of the costs borne by the state.

Not surprisingly, given the explicit and implicit goals of Act 51’s architects in the Good Roads Federation and Automotive Safety Foundation, the act in its design and
implementation made the city and county governments of the Detroit area function together as a metropolitan whole. The road and street system, in the highway lobby’s view, was just that: a singular system, not an uncoordinated patchwork. So although the work on city and county thoroughfares was carried out by the individual local governments, they executed it according to a series of requirements that made them, effectively, agents of the state and its priorities.

The state distributed gas and vehicle tax revenue to local governments with the requirement that it be spent on roads and streets. Act 51 placed the revenue from the state gas tax and vehicle registration fees into a single state fund. It then distributed the money to road agencies according to a series of relatively simple formulas. The state highway department received 44% of the revenue; counties received 37%, and cities 19%. (Over the years, the legislature periodically adjusted the apportionment among the three tiers of road agencies, but it roughly maintained these levels.) The legislation further spelled out a formula for distributing the counties’ and cities’ shares among the individual local governments. A local government’s allotment depended on its population and its mileage of major and minor roads and streets.31

Act 51 was both an entitlement program for local governments and a mandate. Cities and counties were required to do nothing to receive their revenue; rather, it was the state’s obligation to provide it. At the same time, local governments were required to spend the money on roadwork, and to do so according to the state’s standards. The state’s annual reports on the implementation of Act 51 make repeated references to the state’s managing of local governments’ use of their road money—ensuring that it is kept in a segregated fund so that it can not be used for general purposes, reviewing proposed
expenditures to ensure the projects meet state requirements, etc. The 1963 report put it this way:

The state government collects and spends or distributes the bulk of all road and street highway user taxes and therefore has the obligation to see that these funds are properly expended in accordance with constitutional and legislative provisions. … The State Highway Commissioner was designated by law to coordinate highway administration on a state-wide basis, to collect and consolidate reports for the Governor and the Legislature, to review and approve local agency plans and programs and to provide specialized consulting services to counties, cities, and villages on requests when personnel are available. 32

This combination entitlement/mandate meant that road building and maintenance operated as a stand-alone undertaking, very insulated from routine political processes. The collection, distribution and expenditure of the revenue was essentially automatic, with each step of the process spelled out in the requirements of Act 51.

Figure 2.4 demonstrates that the substantive accomplishment of this state spending was the massive expansion of the metropolitan road network in the suburbs. In the 25 years after the passage of Act 51, the mileage of city streets in Detroit grew not at all, as one would expect: the city’s boundaries were fixed and its street network was already fully developed. In the suburbs, the city street network more than doubled in size.
Figure 2.4: Detroit’s suburbs and adjoining rural areas within the three-county metropolitan area had roughly the same road and street mileage as the city did in 1952. 25 years of state redistribution of revenue through Act 51 doubled the mileage outside the city.


Clearly, Act 51 was not solely responsible for the fact of suburban growth and city stagnation in street mileage, since it is one of so many phenomena (the essential one being population) which followed that pattern in the postwar period. But it is equally clear that this did not “just happen” according to the dictates of cultural or technological trends beyond the reach of human agency and political influence. It is true that even if there had been no state overhaul of road funding, a variety of government institutions (some chronicled elsewhere in this dissertation) and demographic trends were encouraging decentralization, and the suburban road network would have grown relative to the core city’s. But there is ample evidence, both in the record of how Act 51 was designed, and how it operated over the years, to demonstrate that the state takeover of
metropolitan street finance made suburban road building vastly cheaper, easier, more bureaucratic efficiency and more insulated from political interference than it would otherwise have been; in short, absent Act 51, the steep incline of the line above indicating suburban road mileage would have been flattened considerably. In this critical arena of the road infrastructure that undergirds sprawl, it was the state’s centralizing and subsidizing hand, not the individual or even collective efforts of independent communities, that built the landscape we see today.


Ibid., 123.


Ibid., 4.

Ibid., 56.

St. Clair, 123.


Annual report of the Michigan State Department of Highways, 1957 and 197.


Michigan Good Roads Federation, Highway Needs in Michigan.

Ibid., 77.

Ibid., 134


Michigan Good Roads Federation, Highway Needs in Michigan.


Ibid.


Chapter 3

Water

At first glance, the story of the growth of metropolitan Detroit’s water system in the latter half of the 20th century appears very different from the story of the road system’s growth. Michigan’s state government drove the growth of the road system, raising revenue from one part of the metropolis and spending it elsewhere to produce a decentralized network of roads. In the case of water, it was the City of Detroit that built a steadily bigger and more diffuse system, contracting with virtually every municipality in the metropolitan area to become the de facto regional water provider. Yet although the road and water systems were governed by completely different mechanisms, neither of them formally or explicitly “regional,” both embraced the same mandate of regional decentralization and development at the metropolitan fringe.

At two points in time—once in the late 1950s, and again in the early 1970s—the City of Detroit’s political leadership explicitly considered a halt to water system expansion, and then proceeded ahead anyway. The first time the city faced that decision, it was the dominant city in a still growing metropolis, led by whites. But even after the city’s fortunes had spiraled downward relative to its surrounding suburbs, and even after city residents had elected a combative black mayor to take on the white suburban power structure, the Detroit water department continued to supply cheap water wherever suburban developers asked for it. The reason for this counter-intuitive behavior was twofold. The city’s own redevelopment prospects were contingent on a productive
relationship between the city and the same regional power brokers driving peripheral development. And changes in state law gave the city little choice but to extend water service at cost. The formal political control of the metropolitan water agency mattered less in determining the direction of water policy than the larger metropolitan policy making process that it was a part of.

The case of water in metropolitan Detroit poses a direct challenge to the view that any single institutional structure for regional planning will naturally or inevitably curtail sprawl. Advocates of institutional reform, including Myron Orfield and David Rusk, argue that the weakness of most regional institutions stems from two problems. First, these agencies lack the power to effect real change. Federally mandated Metropolitan Planning Organizations (MPOs), for example, are frequently simply an assembly of local governments jealously defending their own land use planning authority, preventing the MPO from doing anything but the most benign data gathering and municipal coordination.

In the rare instances that such bodies do have real authority (as with MPOs’ authority over federal transportation spending), they are not democratically controlled and are thus unresponsive to the metropolitan majority residing in central cities and inner-ring suburbs.¹ These authors argue that an agency with both substantive authority and full representation of the disadvantaged segments of the metropolitan population would succeed in the kind of equity-enhancing regional planning that has so far escaped most American metropolitan areas. We might term this the “If only…” school of thought on American regional planning (“If only our regional agencies had real authority, if only they weren’t run by the suburbs….”)
The water system in metropolitan Detroit meets the reformers’ requirements, yet it has utterly failed to perform as the theory would predict. The single, city-controlled agency has control of the water and sewer systems serving the entire region. This infrastructure is obviously essential to nearly all land development; the refusal of the Detroit Water and Sewerage Department (DWSD) to provide service to a major new development would stop it in its tracks. At the same time, this regional agency is controlled not by a committee of area governments, but by the City of Detroit alone. The DWSD has real authority over vital infrastructure, and it is controlled by the government most disadvantaged by the inequities of sprawl, yet it has consistently over time built the water and sewer infrastructure that serves as the backbone of that sprawl.

1955 – 1959: Consolidation

The summer of 1954 was hot and dry in metro Detroit, and homeowner demand for water to keep lawns green skyrocketed. Virtually everyone in the metropolis received their water exclusively from the City of Detroit; the city served its own residents directly, while suburbs bought water on a wholesale basis from the city and pumped it to their own residents. On July 27th, the city pumped nearly 700 million gallons of water, a new record that was way above the system’s capacity. As water left the system through lawn sprinklers and water taps faster than the city’s Detroit River intakes could draw it in and its water treatment plants could pump it out, water pressures at the far suburban reaches of the system fell until some taps ran dry. In its banner-headlined story, The Detroit News reported that Mayor Albert Cobo ordered a ban on lawn sprinkling within the city in order to preserve pressure in the suburban lines. “Cobo’s plea to the people
yesterday…was based on the plight of suburban residents, thousands of whom had no water for hours yesterday. …Families reported severe sanitation problems.”

The summer 1954 water crisis marked the starting point of a years-long controversy during which metropolitan Detroit—its business and labor leadership, its newspapers, its bureaucrats, and its elected leaders acting through city, county and regional institutions—wrestled with and ultimately decided the terms under which the metropolis would receive the water service that was indispensable to everything from public sanitation to industrial development to green lawns. They designed a system under which the City of Detroit would serve as the sole regional water provider for the indefinite future, committed to aggressive expansion to serve new development on the steadily expanding metropolitan frontier.

The 1954 water shortage led to acrimonious exchanges between city and suburb. Suburban governments felt the city was shortchanging them in the way it managed the common water supply. City officials argued that the city had plenty of water to supply, but that the suburbs had not built sufficient capacity and redundancy into their own systems. The city water department director, L.G. Lenhardt, said he was “sick of helping people who won’t help themselves.” A city resident wrote to the newspaper:

Mr. Ranch Home Owner and all his suburban neighbors knew what they were doing when they moved out of the city. Sure, it’s cooler and less noisy; but the time has now come for them to take the bad with all the good they have enjoyed. Detroit city officials should at once notify all surrounding communities using Detroit city water that they have to look elsewhere for their water. Set a reasonable deadline and at the expiration of same turn off the water. An old saying fits right about here. “You made your bed, now lay in it.”
The Detroit Common Council ordered the city water department to begin to write into its contracts with the suburbs a requirement that they observe any water conservation measures the city itself might impose during an ensuing crisis.\(^5\)

Lenhardt, the director of the water system, believed that the long-term solution to the problem of suburban water supply was for the suburbs to build their own system, complete with water intake, treatment, and distribution. “We do not feel it incumbent upon the City of Detroit to go beyond this point and construct new intakes, tunnel systems, and plants to take care of demands in areas which are not remotely contiguous to our borders,” Lenhardt wrote to the city council.\(^6\)

Detroit had long been the main provider of water and sewer service in the metropolitan area. The state constitution gave a city the right to sell its water to neighboring cities, and a state law capped the price suburbs could be charged at twice the rate the city charged its own residents. As recently as 1944, state voters had approved removing the constitutional limit on how much extra-territorial service a city could provide (the constitution had limited Detroit to exporting no more than 25% of the amount it consumed itself), and the growing metropolis was thereby freed of the need to build new water capacity; it could instead rely on the city system. By the mid-1950s, Detroit was providing water to 42 communities adjacent or nearly adjacent to the city.\(^7\)

Lenhardt cited population forecasts that predicted great population growth outside of the department’s current service area, and only modest growth within the city, and argued that the suburban governments themselves should bear the cost of building a new system to handle that growth. The question was especially urgent in Detroit’s rapidly developing southern and western suburbs, where the state health department in 1955
imposed a moratorium on new residential construction in part due to inadequate water service. Detroit did not serve these jurisdictions directly, but instead sold water to the Wayne County government, which had built a small transmission system to serve suburbs beyond the Detroit city limits. (See map, below.)

In the wake of the ’54 water shortage and Lenhardt’s recommendation that the city’s system not be expanded further, the Wayne County government undertook to build a separate, complete water system to serve its residents outside the city. The City of Detroit was itself a part of Wayne County, and its own elected officials served on the county’s Board of Supervisors, so it had a considerable say in setting county policy. At first, the city’s leadership was squarely behind the plan for a new county water system; its representatives on the county board voted in favor of it. An election was required to gain the public’s approval for the bond sale that would fund the project, and the city’s leaders,
along with the business leadership in the Greater Detroit Board of Commerce, labor leadership, and all three of the city’s daily newspapers urged the public to vote yes. The measures passed in April of 1955. According to the public administration scholars Gerald Mowitz and Deil Wright, observing the events and writing a few years later:

A rare event had taken place: a genuine consensus among community leaders representing diverse interests on what was required in order to promote the general interest of the metropolitan community, and a backing up of that consensus with political action to win popular support for the program.⁹

One of Lenhardt’s underlings, however, had a different vision. The superintendent of the department’s main water treatment facility, Gerald Remus, felt that the Detroit water department should retain its near-monopoly on regional water service by growing to meet the demands of new suburban development. When Lenhardt retired at the end of 1955, Remus, the third-ranking official of the department, made his preference known and was promoted over Lenhardt’s choice, the second-ranking official, to become the new director of the department, a position Remus would hold for nearly 20 years.¹⁰

Remus convinced a coalition that included, most prominently, the city political leadership and the regional business community, that the policy they had enthusiastically backed only a year earlier—to construct a new water system overseen by a second water agency in the metropolis—would be harmful to both the city and the region as a whole. He argued that the city, with the water production capacity it already had and the additional capacity it was already committed to, could adequately meet the region’s needs for the next fifteen years. To allow a second system to be built would harm the city and the suburbs that remained its customers, because they would be forced to pay for their
oversized system with a stagnant customer base. It would also, he argued, harm the
metropolitan region as a whole, because it would saddle the region with the inefficiency
of duplicative infrastructure and competing bureaucracies.

Remus proposed that the county, rather than building its own separate water
system, instead devote the proceeds of its new bond issue to building additional
transmission capacity to handle larger supplies of Detroit water. He won over both Mayor
Albert Cobo and Willis Hall, the head of the Greater Detroit Board of Commerce, the
region’s powerful business organization. Both men held seats on the Wayne County
Board of Supervisors, Cobo by virtue of his elected position, Hall as a city appointee. In
June of 1956, they attempted to have the county back away from its plans to build a
separate system, and follow Remus’s suggestion instead. When the county’s bond
counsel ruled that the revenue from bond sales could only legally be used for an entirely
new system, Remus’s plan was no longer viable, and the county moved ahead with the
drawing up of formal plans. But Cobo’s appointed chair of the city water board released
a letter warning that the city would be forced to charge higher rates during the lengthy
period it was obligated by contract to serve the Wayne County suburbs before the new
system came on line. “The city will have to supply the water for at least six more years
before being cut off. I think it is only fair and equitable the county be assessed for the
capital investments that will be required to provide the interim service. This could
require a considerable increase in water rates during that time.”

While the county proceeded with the design of its new water system, the city and
the regional business leadership continued their efforts to derail the county project. The
Board of Commerce arranged for the Inter-County Supervisors’ Committee, an
organization that brought together the leaders of each of the metropolitan counties to coordinate on issues of regional importance, to commission an independent study of the entire region’s water needs and the best way to meet those needs. The study was paid for with funds raised by the business community, and it was carried out by the National Sanitation Foundation, which despite its name was based in nearby Ann Arbor, headed up by a former Detroit Public Health Commissioner, and whose board of directors included several individuals that also served on the Greater Detroit Board of Commerce.\textsuperscript{12}

The consultants’ report urged that metro Detroit be served by a single metropolitan water system. It said the building of a separate Wayne County system, and the prospect of other outlying areas subsequently building additional systems, would be “economically unsound.” According to the Detroit News, “The suburbs are complaining about water shortages. Private industry is worried about the lack of water in its search for new sites in the metropolitan area. The single water system would be the best way to end the threat of shortages, the report stated.”\textsuperscript{13}

The report’s recommendations were not binding on Wayne County, but considerable pressure was building for the county to alter its course. The Board of Commerce created an organization called the “Wayne County Water Users Committee,” which urged the various city and township elected officials in the county, who together made up a large part of the county Board of Supervisors, to stop the project. The city and county squared off in a debate of sorts before a regional meeting of the Michigan Municipal League, the association of city officials. With a design in hand, the county was now at the point where it was ready to solicit bids and begin construction. Leading
up to the vote on whether to put out bids, the city and county convened a series of meetings to attempt to negotiate a solution to the standoff, a solution that would take into account the needs of all three metropolitan counties.\textsuperscript{14}

The negotiations failed, and the county voted to proceed with construction. But Gerald Remus had one last trick up his sleeve. A Detroit citizen filed a lawsuit claiming that the county project would unfairly harm him as a water rate payer, because he would be forced to pay, through his city water bill, the one-million-dollar loss the city claimed it would suffer as a result of the loss of suburban customers. The taxpayer who filed the suit was no ordinary citizen; he was a real estate developer who had previously worked with Remus on the extension of water service to one of the developer’s new projects, and the two had met repeatedly to craft the details of the lawsuit.\textsuperscript{15}

The merits of the lawsuit were largely beside the point. The bonds for the county water project could only be sold on the condition that they were “unencumbered” by any pending lawsuits; that is, that the investors who bought the bonds could be assured that the system which would generate the revenue to pay them off would not be derailed by an adverse legal ruling. As long as the citizen lawsuit was alive, the county could not proceed. The county did begin work using funds that it already had on hand, but it also began a long-term negotiation process that, by 1959, yielded an agreement for the city to buy up the county facilities and to provide all of the area’s water needs for an indefinite period of time at a price subject to court review.\textsuperscript{16}

The Greater Detroit Board of Commerce lauded the policy that it had no small part in shaping.

Farseeing public officials have cleared the way to a truly metropolitan water system for the Detroit area, centrally administered and assured of an
adequate supply from diverse sources…. The action, strongly urged over the years by the Board of Commerce, means more water to the suburbs and at an earlier date. It means development of areas handicapped in the past by uncertainty as to water supply.\textsuperscript{17}

Leaders from across the region supported the expansion of Detroit water service to the northern suburbs in Oakland and Macomb Counties as well. The city was handicapped in providing that service by the requirement in state law that it charge suburban water customers no more than twice the rate it charged its own citizens. The cost of carrying water from city plants to newer suburbs at greater distances from the city was higher than the statutory cap allowed. A trio of state representatives from the northern suburbs introduced state legislation in 1957 to eliminate the cap on water prices for suburbs more than 10 miles from Detroit, requiring instead that Detroit’s price be reasonably related to its costs in providing the service. The bill also for the first time allowed townships (county subdivisions with limited powers; see Chapter 4) to buy Detroit water, in addition to suburbs incorporated as cities. The bill would remove the last impediment to the Detroit water department’s serving as the sole water provider to the steadily expanding metropolitan region.\textsuperscript{18}

The legislation passed, though not without some controversy. After the lawn-watering restrictions of the previous summers (restrictions the city could only impose on its own citizens, even though it was in the suburban areas that low water pressure was a problem), some Detroit representatives in Lansing were concerned that the city was being shortchanged by its regional water responsibility. State Representative John Sobieski of Detroit tried to amend the legislation to prohibit expansion at times when water restrictions were necessary.
Detroit is talking of supplying water to three or four counties but it can’t supply its own people. It isn’t nice to see your lawn dry up while half a block away, across the line, people can use all the water they want. It’s about time the Water Board took care of its own people and stopped worrying about everybody else.\textsuperscript{19}

Notwithstanding those objections, the legislation passed easily. With it, the suburbs of Oakland and Macomb Counties were assured Detroit water service at a reasonable price, while the Wayne County suburbs had the same assurance from the separate negotiated agreement that ended the county’s attempt to develop its own system. The City of Detroit’s water department was now, in effect, the regional water utility.\textsuperscript{20}

Metropolitan Detroit moved, in the five years from 1954 to 1959, from a region struggling with the engineering and political logistics of providing water service to a rapidly expanding area, to one moving ahead under the auspices of a single, proven bureaucracy unanimously recognized as the sole water provider for the indefinite future. Two things characterized this process.

First, the mandate of cheap water readily available to serve development at the metropolitan fringe guided the decision making process. This goal was shared by virtually every actor in the process. When the retiring director of the water department argued against the City of Detroit meeting that responsibility, there was universal agreement among the city and suburban political leadership, the regional business leadership, and others that the mandate should be served by a new system or systems. When the new director, Gerald Remus, sought to maintain his agency’s monopoly, the fight that ensued concerned only the bureaucratic means to serve that mandate, not the substance of regional water policy itself. In fact, the rationale for the region’s rallying behind the city water department was the belief that it would serve that mandate better.
than an inefficient system of multiple, independent agencies. Lest there be any doubt about the substance of the regional water policy to be executed by Detroit, the requirement that the city provide as much water as needed at a reasonable price was written directly into the agreement that ended the fight with Wayne County. As the next section will demonstrate, Gerald Remus already had in mind a long-term plan to serve metropolitan development across a wide area. The actions of the Detroit water department going forward, therefore, are properly understood from the perspective of the mandate that in many ways produced the department in its current configuration.

Second, despite the fact that there was no single regional political body through which this mandate could express itself, it expressed itself nonetheless. At various times in the process, key events took place in Detroit city government, in the Wayne County government which itself included many Detroit officials, in the regional Inter-County Supervisors Committee, in the association of municipal officials in the region, in the state legislature, and in the courts. Each of these institutions organized itself, at one stage or another, around the central question of how best to serve the regional mandate of cheap, widely available water. The Greater Detroit Board of Commerce played no small part in organizing the various agencies around that question. The process may have been messy and convoluted, with no single agency or tier of government making decisions, but the strong regional desire for a well-watered metropolitan frontier nevertheless functioned through multiple channels to yield in the end an agency and a set of institutional relationships singularly devoted to that goal.
1959-1974: Expansion

In 1959, having secured his position at the top of the metropolitan water system, Gerald Remus’s department published a plan to greatly expand both the volume of water produced for metropolitan Detroit, and the area to which that water would be pumped. In the supremely confident language of a Robert Moses, Remus sought and received approval for an ambitious expansion.

More than 250 years have passed in developing the present water system. In this era certain conclusions, basic truths, and operating procedures have been established. Some of these are:

A. To gain the best reliability at the lowest cost all of the water for the area should be provided by one system. It must be ever-expanding and improving or a system will deteriorate into an antiquated, undependable, and expensive arrangement….

F. Any village, township, city, county or industry, through its representative governmental agency, can get any amount of water capacity it wants….

H. Capital improvements totaling more than $99,000,000 have been made since 1949, and much of the work has been for suburban supply. The Board has consistently endeavored to build ahead of requirements. This is emphasized by the fact that the Springwells addition, the 54-inch Dequindre line in Oakland and Macomb Counties, and other water mains and storage facilities are mainly for future load development.21

The plan, in its tone and language, is apparently motivated by two mutually supportive forces: one is the mandate to meet the needs of development, quickly and cheaply, wherever it might occur; the second is a bureaucratic ambition to place the standards and imperatives of a seemingly impartial water supply profession at the center of the metropolitan area’s growth. It is seemingly grounded in unassailable statistics, common-sense priorities and “basic truths” that together give the impression of an agency presided over by an exceedingly competent and ambitious bureaucrat. (News accounts at his retirement after 18 years at the helm of the water department described Remus as “outspoken,” “quotable,” “crusty,” and “ill-tempered.”)22
Remus argued that to reliably meet the metropolitan area’s needs on the terms he promised, a massive new water intake, treatment and tunnel system would be necessary to collect water from Lake Huron, 50 miles north of Detroit, and deliver it to the area. Invoking national defense in much the same manner as the interstate highway construction program had, the Remus plan included a letter from the city’s civil defense office touting the benefits of a second, distant water supply as a precaution against nuclear destruction or contamination of the existing facilities.

The Lake Huron plant accounted for about half of the proposed investment in the regional water system over the next 20 years. The plan also proposed new water mains, pumping and storage facilities, and improvements to existing treatment facilities, at a total cost of over $172 million. Only $23 million, or 13%, was devoted to the City of Detroit.

The development program was based on two assumptions illustrated in Figure 3.2 below: first, that the three-county metropolitan region as a whole would grow in population, and second, that the growth would be added in suburban areas while the central city remained stable. Detroit’s population was projected to hover just shy of the 2 million mark; the suburban population would more than double from roughly 1.5 million to over 3 million. The projections were based on the work of the Regional Planning Commission in Detroit and other outside analysts. A separate regional planning study conducted by Constantinos Doxiadis for the electric utility Detroit Edison in the mid-1960s came to much the same conclusion.23

Throughout the 1960s and early 1970s, the water department expanded its service according to the 1959 plan. It constructed the Lake Huron plant and the ten-foot-
diameter pipes that would carry its water to metropolitan Detroit, it brought on line another new intake and treatment facility and improved capacity at three other plants, and it built hundreds of miles of transmission mains in areas farther and farther from the city. During Gerald Remus’s tenure as general manager from 1956 to 1973, the number of communities served by the Detroit water system more than doubled from 45 to 95. Figure 3.3 shows the rapid increase in the suburban population served by DWSD, and an even greater increase—a more than doubling—of the suburban area served. The population density of the entire system, in fact, declined by more than 25% between 1960 and 1975.24
Figure 3.4 demonstrates the wholesale restructuring of metropolitan Detroit’s population, and especially the declining fortunes of the core city relative to its surrounding area. It was not just the case that a disproportionate share of growth happened in the suburbs. Rather, in the 1960s, a substantial portion of suburban
growth was due to the exodus from Detroit, not from overall regional growth, and even as the region as a whole lost population in the 1970s, the suburbs continued to grow.\textsuperscript{25}

Figure 3.4. In the twenty years after the water department committed to a massive expansion, the region’s population growth stopped, and the city’s population shrunk.

Figure 3.5 shows the sharp difference between the metropolitan area Gerald Remus had built the system to serve, and the one that actually came into being in the 1960s and ‘70s. The metropolitan area was much smaller in population, and Detroit, rather than a pre-eminent center, was a shrinking and struggling inner city. The water department’s ambitious building program had served not as a tool for metropolitan growth, but as a tool for redistribution of a stagnant population away from the core city and into previously undeveloped areas. In the period between 1960, when Remus’s
expansion plan began, and 1974, when Coleman Young took office, the water department added over one million suburban customers; but the tri-county area as a whole only grew by about 400,000. Some of this discrepancy is due to the addition of new customers that had previously had other service, but a significant portion of it is simply a result of net outmigration from the city.

![Metropolitan Detroit population 1980, projected and actual](source)

**Figure 3.5.** The population assumptions on which the water department based its expansion plans proved wildly off the mark.

And this redistribution had a decidedly racial cast to it. Figure 3.6 demonstrates how whites dominated the outmigration from Detroit; in just twenty years, the city went from a white majority of 71% in 1960 to a minority of 34% of the city population in
1980. The suburbs remained virtually all-white. By 1980, only 13% of metropolitan Detroit’s white population lived in the city itself.

![White Percentage of Population in Detroit and Suburbs, 1960-1980](chart.png)

**Figure 3.6.** The water department’s suburban expansion served the needs of white outmigration from the city.

**1974-1985: Coleman Young’s Water Department**

In 1973, this wholesale reorganization of the region’s population paved the way for Detroit’s emerging black majority to elect the city’s first African-American mayor, Coleman Young. Young was a former labor organizer and state senator with a reputation as a staunch and combative advocate for African-Americans in general and the City of Detroit in particular.²⁷
By this time, it was apparent that Detroit and its suburbs constituted a very different metropolis from the one Remus’s 1959 plan had imagined. Instead of a stable city at the heart of a growing region, there was a declining city at the core of a stagnant region. White flight was dividing the political landscape into two racially and geographically defined camps: black Detroit and white suburbia. The antagonisms were on display when automobile magnate Henry Ford II, who was spearheading the downtown development of the Renaissance Center office, retail and hotel complex, suggested in a speech that the region needed some form of metropolitan government. Suburban officials commented “Henry Ford should stick to building cars;” “People left Detroit to get away from all those problems and if you make it all one government they’ll just move farther north;” and “Detroit is a dying city and there is no way to save it.”

A handful of socio-economic indicators displayed in Table 3.1 documents just how wide the disparity was between Detroit and its surrounding area, and the fact that it was widening during this period. The suburban poverty rate was only a third of Detroit’s in 1970, and only a quarter ten years later. The gap was widening as well for the unemployment rate, per capita income, and the percentage of city and suburban populations with college degrees. By virtually any measure, Detroit and its suburbs were very different places during this period, starkly divided politically, socially and economically; the stage was seemingly set for a conflict over water policy.
### Table 3.1: Socioeconomic Indicators for Detroit and Suburbs, 1970-1980

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Suburban rate as percentage of Detroit’s, 1970</th>
<th>Suburban rate as percentage of Detroit’s, 1980</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty</td>
<td>33</td>
<td>25</td>
</tr>
<tr>
<td>Unemployment</td>
<td>67</td>
<td>50</td>
</tr>
<tr>
<td>Per capita income</td>
<td>124</td>
<td>153</td>
</tr>
<tr>
<td>Percent of population with college degrees</td>
<td>185</td>
<td>204</td>
</tr>
</tbody>
</table>


A year after Young took office, the combined reality of an overbuilt water system and new political control of the water department seemed to be taking hold. The Board of Water Commissioners, appointed by Young, imposed a moratorium on the extension of water service to new local governments not already in the system. Charles Scales, a member of the water board, former president of the City Plan Commission, and soon to be appointed by Young to be the water department’s first black director, articulated the city’s argument:

> Revenues from Detroit and suburban residents paid for the expansion of the DMWD’s water supply and sewer services. Now, population growth and industrial development have dropped to near zero. If new areas are added to the water system, their cheap land and water supply will end up luring residents and plants away from Detroit and the older suburbs. In other words, Detroit and the close-in suburbs would help finance their own demise.  

In the same newspaper article in which this quotation appeared, Mayor Young argued that expansion of the water system was akin to the 1950s construction of urban freeways in luring people and investment away from the city. A new direction for the water department seemed to be at hand.

Young’s moratorium was never implemented, however. Over the next 10 years, the system expanded to serve 16 new cities and townships at still greater distances from the city and inner-ring suburbs, even spreading into the ring of counties adjacent to the...
three (Wayne, Oakland and Macomb) that made up the traditionally defined metro area. In 1975, there were 9,554 miles of water mains in the metropolitan Detroit system; in 1985, there were 11,096, an increase of 16%. The system was serving roughly the same number of people and pumping the same amount of water; it was just doing so over a more far flung network. And this expanded service was not accruing benefit to City of Detroit residents. In 1978, the earliest year for which figures are available, 34% of the system’s water revenue came from city residents. In 1984, this proportion had actually increased, to 39%.\(^{30}\)

Clearly, Mayor Young changed course. In fact, Charles Scales was forced to resign his directorship only a year and a half after assuming the position, because of an insistence on raising suburban rates to pay for necessary improvements to the sewer system. Young instead imposed a cap on rate increases, hardly the action of a man interested in fleecing his suburban customers or dissuading potential new customers. The documentary record and interviews with former senior officials of DWSD make clear that, despite any initial reluctance, Coleman Young aggressively pursued expansion of the water system much as Gerald Remus had in the 1960s. Young possessed the formal control of a critical regional infrastructure agency and a knowledge of the implications of suburban development on his city’s own fortunes, yet he directed the department to further enable that development.\(^{31}\)

This change of heart makes sense, however, in the light of Young’s own strategy to turn his city around. That strategy was centered on high-profile investment and construction in his city, especially downtown—a strategy that required a cooperative relationship with the region’s corporate power structure and an effective means of
negotiation with suburban political leaders. In seeking development for the city, Young effectively embraced the regional development ethic that had long driven expansion of the water system.

Two of Young’s three greatest accomplishments, according to his own assessment after ten years in office, were the construction of a new General Motors assembly plant in the city and the redevelopment of the city’s downtown riverfront. The auto plant was built on a site, called Poletown, from which thousands of residents were evicted and their houses torn down, using the city’s eminent domain power, to meet GM’s land requirements. “Poletown—that one plant makes up for every g—damn thing that went into the suburbs for the past 20 years,” Young told the Detroit Free Press. “I’ll take [such projects] every three or four years, at a billion dollars a shot”. The rebuilding of the downtown riverfront involved the metropolitan area’s corporate elite, especially the auto industry (the Renaissance Center), a major sports team (Joe Louis Arena, home of the Detroit Red Wings), real estate developers (the Riverfront Towers luxury apartments and Millender Center hotel/retail/apartment development) and suburban, state and federal political officials with influence over large sums of necessary public funding (the Cobo Hall exhibition center, the People Mover downtown monorail, and a proposed but unbuilt rail line to Oakland County).32

Virtually all of these public and private sector actors had an interest in cheap and readily available water. The same auto industry giants behind the Renaissance Center and major auto plant investments were simultaneously building large projects at the metropolitan fringe. Chrysler, for example, built during the Young years both an assembly plant on the city’s east side, using extensive public support and land acquisition
negotiated by Young, and a massive headquarters complex in the edge city of Auburn Hills. It seems highly unlikely that Chrysler would have listened to invitations to invest in the city if at the same time a tight water policy was foiling the company’s expansion plans on the metropolitan fringe.

One former DWSD director said Young was frequently managing several different negotiations or strategic initiatives at a time, and that his water policy could only be understood in the context of these developments and his broader strategic direction for the city. June Manning Thomas reports that Young’s enthusiasm for development resulted in the effective neutering of his own planning staff, with its professional attention to balancing priorities, in favor of an economic development staff focused exclusively on putting together the necessary inducements to conclude a deal for real estate development.  

The historical record makes clear that Young concluded early on in his tenure that it was too late for a tight water policy to prevent disinvestment in his city. That horse was already out of the barn. Instead, the city needed to attract new investment dollars, and to do so by negotiating case-by-case development deals. In this environment, a water policy aimed at curtailing suburban development would only antagonize those same actors with whom he was negotiating for downtown and industrial projects.

The State Role

Of course, there is an alternative explanation for Coleman Young’s embrace of peripheral water development in his direction of the Detroit water department: it was not the indirect benefit of cozy relationships with the potential developers of his downtown that motivated Young, but the direct benefit to his city’s bottom line of a large utility that
made a large profit on its suburban customers. It has long been an article of faith in metro Detroit that the city is fleecing the suburbs through its ownership of the water system, and legislation is regularly introduced by suburban lawmakers in Lansing to take control of the regional water system away from the city and place it under a new regional authority.\textsuperscript{34} The history of the state’s regulation of the Detroit water department, however, makes clear that the city has been effectively precluded from reaping such a reward, and has been confined instead to operating as a utility providing service at cost.

At the time Coleman Young took office in 1974, the water department operated under the terms of the 1957 legislation and 1959 agreement with Wayne County that had paved the way for the city to move beyond its neighbors and supply water as far away in any direction as suburban development might occur. Within Wayne County and within 10 miles of the city in Oakland and Macomb counties, the department could sell its water to suburban governments for \textit{no less than} the price the city charged its own residents, and \textit{no more than twice} the in-city rate. For any other customers, the price had to “bear a reasonable relationship to the service rendered.”\textsuperscript{35}

At first glance, this law left a window for Detroit to turn a profit on some of its suburban customers, because the language requiring a reasonable price applied only to those being charged more than twice the city rate; presumably the closer-in suburbs could be charged anything up to twice the city rate, regardless of its relation to the city’s actual cost in providing the water. But the city was limited to a reasonable price for even these customers by language in the standard contract it signed with each suburban government. From the start, then, the Detroit water department was legally committed to operate as a non-profit utility.
After Coleman Young took office in 1974, the suburbs repeatedly accused Detroit of illegally overcharging them for water; those claims led to two lawsuits, neither one successful, and a new state law that imposed a more strict system of price regulation on the city.

Suburban political officials, clearly seeing political hay to be made in a fight with the new black mayor now controlling their water supply, almost immediately began accusing the city of overcharging them for water. A typical example was Ed McNamara, the mayor of the Wayne County suburb of Livonia with aspirations to be elected to Congress; he would later serve as the powerful Wayne County Executive. McNamara was “attacking the Detroit Metro Water Department on every front,” the Detroit News reporter Don Ball wrote at the time. “McNamara is expected to run next year for the 2nd Congressional District seat now held by U.S. Rep. Marvin L. Esch, a Republican, and there are few easier ways of winning political support in the conservative 2nd District than by playing David to Detroit’s Goliath.” McNamara was one of three suburban representatives on the seven-member board that oversaw the water department. In April of 1975, McNamara publicly criticized what he said was an impending 35% rate increase, and garnered headlines for doing so; the other two suburban representatives on the water board, however, said no such increase had been approved, and that McNamara had not even attended the relevant meetings. Numerous other suburban elected officials won newspaper coverage by criticizing the city water system.

In fact, the newspaper coverage of the time makes clear, it was the career civil servant whom Young inherited as water department director that was pushing for a rate increase, both to cope with inflation and make necessary improvements to the system,
while Young and his appointees to the water board regularly contradicted him in public. When the board did approve a rate increase, subsequently reversed by Young, different headlines in the city and suburban editions of the same Detroit News story captured and played into the underlying city-suburban tension. For city readers, the newspaper headlined its story “Water bills could jump 68 percent”; for the suburban edition, the headline over the exact same story was “Suburbanites expected to pay more in sewer fees”. Suburban residents reading that headline would understandably believe that they were being singled out by the city to pay more; in fact, the rate increase was structured in a way that actually imposed a steeper increase on city residents.37

In 1976, the simmering tension between city and suburb—the result of a change in the elected leadership in Detroit, not a change in water department policy—came to a head in a lawsuit prompted by a rate increase the water department imposed across the board on all customers in the region. The 1976 rate increase was the first since Coleman Young had taken office; it was necessitated by high inflation and the revenue requirements of a new capital improvement plan. No one disputed that a 39% increase in revenue to the water system was necessary, but the suburbs argued that the city should shoulder a greater proportion of that increase. The city, however, pointed to an independent consultant’s report prepared ten years earlier, which recommended that the suburbs, drawing a steadily greater proportion of the region’s water supply and requiring it to be pumped to greater distances, should themselves bear a higher proportion of any rate increase. Against the recommendations of that report, the city raised rates a flat amount to all customers in 1966, and again in 1972. Thus, according to the subsequent Michigan Supreme Court ruling on the 1976 rate increase, “Since 1966, there have
been… three across-the-board increases, despite a recommended shifting of costs from Detroit users to out-city users.\textsuperscript{38}

The state supreme court ruled unanimously, after 9 years of litigation, that the price the City of Detroit charged its suburban customers was not unreasonable. Because the case took so long to reach its conclusion, the court was able to base its conclusion on several years of actual data showing who received how much water and at what price. It determined that, although suburbs were paying more per unit of water than city residents were, this cost allocation made perfect sense in light of the fact that city residents, residing so close to the main water treatment plants, required their water to be pumped much shorter distances, and secondly, that city residents received their water primarily from older facilities with much lower depreciation costs.\textsuperscript{39}

In an interesting aside, the state supreme court went so far as to suggest that there was nothing inherently inappropriate in a city’s earning a profit on its water sales to other jurisdictions. The court’s opinion quoted favorably from a law review article which argued that

\begin{quote}
A city’s purchase of a utility plant is made on behalf of its citizens, who then become both consumers and owners. The requirement of serving nonresidents at the same rates as residents partly defeats the purpose of the purchase by decreasing the benefit derived from the resident consumers’ ownership. Utility service is only one phase of a prevalent situation in which nonresidents adjacent to cities enjoy the economic and other advantages of city life without being subjected to the responsibilities of citizens.\textsuperscript{40}
\end{quote}

One could argue that the fairest price for Detroit water, or at least the one most attuned to the principle of the free market, would be the price just below what it would cost a suburban jurisdiction to build its own water supply. To restrict the city to serving its neighbors at cost, according to this line of reasoning, was unfairly depriving it of a
source of revenue (and an incentive to maintain city residence) that it would otherwise have had.

Between 1976, when the suburbs first challenged the city’s water pricing in court, and the final ruling on the case in 1985, state legislators from metro Detroit sought to remove all shadow of a doubt over what constituted a fair price for water by rewriting the state law governing the city’s water department. Accurately foreseeing the possibility that the courts would determine that Detroit had acted reasonably all along, the metropolitan legislators established a new standard to sharply restrict the city’s autonomy in setting water prices.

The new law struck all references to city residents and non-city residents; it eliminated both the “floor” and the “ceiling” for suburban water rates; and it omitted the standard of “reasonableness” in determining the fairness of water prices. Instead, the law simply stated “The price charged by the city to its contractual customers shall be at a rate which is based on the actual cost of service as determined under the utility basis of rate-making.”

Several suburban legislators sponsored the bill that became the new law, but Detroit’s members of the state legislature voted for it as well. Two things explain the city’s support of legislation that severely restricted its autonomy in setting water prices. First of all, the city was facing a dire financial crisis with the prospect of municipal bankruptcy on the horizon. On the same day the state senate passed the new water pricing bill, Mayor Young, the chairman of General Motors, and the president of the United Auto Workers union addressed a joint session of the legislature, urging lawmakers to pass a package of bills designed to stave off default and solve the city’s fiscal crisis.
Though the water bill was not formally a part of that package, the city was at that point utterly dependent on a productive relationship with state legislators and the metropolitan business community for its survival, and it was in no position to balk at the terms under which the metropolitan body politic expected the city to serve the region’s water needs.\textsuperscript{42}

Secondly, there was the threat that the state would simply transfer control of the water system from the City of Detroit to a new regional authority. There were (and remain) two major legal impediments to the state taking such an action: at the very least, the city would presumably have to be compensated for the loss of its capital assets; moreover, the city’s authority to operate a water system and sell to municipalities outside its borders came directly from the Michigan Constitution, making it legally questionable whether a legislative act could remove the system from the city’s control.\textsuperscript{43}

Nevertheless, suburban lawmakers regularly introduced legislation to “regionalize” the formal control of the water system, as one of the Detroit legislators who voted for the new pricing law acknowledged.

I will vote for House Bill No. 4029 with the understanding that it will increase the water bills in the City of Detroit. However, the bill provides for the continued control of the Detroit Water and Sewage Department by the City of Detroit, with the approval of the city administration. There has been an ongoing fight by suburban communities for control of the Detroit water system, and I felt it to be in the best interest of Detroit’s citizens to support this bill which prevents such a takeover. Detroit built, paid for and maintains the system and deserves to retain ownership of it. In any event, during these inflationary times, no matter who operates the system, there will have to be additional revenues in order to provide adequate service to the consumers.\textsuperscript{44}

For all intents and purposes, the 1981 water pricing law did “regionalize” the water system, in that it commanded the city to operate its water department as a regional non-profit utility. The city maintained formal control of the water system, but its
decision making was effectively limited only to where its services were extended—which municipalities it chose to contract with. The notion that the city extended water service to new development at increasingly great distances from the city in order to reap a financial windfall is sharply undermined by the outcome of the 1976 lawsuit and the content of the 1981 water pricing law (which the city has not been found in violation of since.)

Whether city customers of the water system have paid more or less than their “fair share” of regional water costs over the years is perpetually open to debate depending on what one defines as a fair mechanism of allocating the costs of such a complex system—a task that virtually every court ruling and legislative analysis on the issue acknowledges as an exceedingly difficult task. But even if one accepts for the sake of argument that the city cut its residents the best possible deal on water within the framework of the law, and even if one further assumes that the city occasionally charged to the water system city costs that bore only a tangential relationship to water provision, these two benefits to the city hardly add up to the level of massive financial windfall that would explain the water system’s steady expansion and enabling of new suburban development.

In fact, the opposite argument is more supported by the evidence. Precisely because the city was precluded (in law and, according to the unanimous 1985 state supreme court ruling, in fact) from making a profit on its suburban customers, it was obliged to seek more customers at greater distances in order to meet the fixed costs imposed by the massive 1960s expansion project. As long as the system had excess capacity, and its large transmission lines were passing through and near communities not yet in the system, it made sense to bring those areas on line and collect their revenue.
This became something of an exercise in circular logic, however: new areas were added to the system to make use of the existing infrastructure; but the inclusion of that new area in the regional system, with service guaranteed by state law to be at cost, in turn attracted follow-on development from elsewhere in the region.45

**Conclusion**

In the end, the mandate for cheap and widely available water in metropolitan Detroit survived and thrived through 25 years of wildly varying economic and political circumstances. Two sets of interests drove that mandate: the business community of industrial firms and real estate developers, and the white middle class represented by its suburban political leadership. These actors’ preferences for the metropolitan water system found expression not through direct political control of that system, but through the broader economic and political context which shaped the Detroit water department’s actions. This context included state regulation and the threat of state takeover, and the city’s need to curry favor with the economic establishment in the face of wholesale disinvestment from the city. While it would be inaccurate to say that the DWSD’s policies were entirely the result of external constraints—one can imagine a different turn of events if people other than Gerald Remus and Coleman Young had occupied their respective positions—it is still the case that the mandate for cheap and available water was a powerful one. As was the case in the 1950s, the failure of one bureaucracy to meet that demand would in all likelihood have resulted in either a change to that bureaucracy or the creation of a new one.

The case of the DWSD demonstrates that the right institutional framework—providing sufficient authority and sufficient responsiveness to the metropolitan core—is
not in and of itself a sufficient condition for the sort of redistributive regional planning that contemporary advocates seek. Detroit’s water policy in the period under study suggests that a policy that fosters sprawl—and the perceived social, environmental and other ills that it fosters—can be embraced within an authoritative regional planning agency every bit as much as it can be at the local, state or federal levels. The same political forces at work in the fostering of sprawl at those levels—race- and class-based tension, the needs of the business community—can and do operate at the regional scale as well.

“If only…” regionalism blames the failure of American regional planning to redress metropolitan inequities on the fact that there simply is not enough regional planning. More regionalism, i.e., more planning authority delegated to a regional decision making and implementation process, would, according to this school of thought, result in more equitable planning manifested in a fairer distribution of low-income housing, infrastructure investment, and tax base. One might see in Portland, Oregon, for instance, a set of robust regional institutions enacting a series of sprawl-busting policies, and imagine that similarly organized institutions would yield similar policies in other places. But this view misses a critical source of causation. There is an underlying political sensibility in the Portland region, expressing itself repeatedly over time through a variety of actions at the local, state and federal level, which has yielded both the reformed institutions and the planning policies that make the area unique. If the correct institutional framework was the central requirement for regional reform, it seems the Detroit Water and Sewerage Department would have long ago halted the suburban water development that continues to this day.
The creation and/or strengthening of regional planning authority may well in many instances turn out be part of a process that redresses metropolitan inequities. But this case suggests that this will be true only to the extent that it is a *manifestation* of a broader political will that yields changes in policy across the spectrum of federal, state, regional and local action. And where such an environment does exist, such explicitly regional policy making and planning may in fact pale in importance relative to the policy change enacted at those other levels.
37 Detroit News, 4/1/75: “Water bills could jump 68 percent”, “Suburbanites expected to pay more in sewer fees.”
38 City of Plymouth v. City of Detroit, 423 Mich. 106, at 112.
39 Ibid.
40 Ibid., at 131.
43 See the message accompanying Gov. Jennifer Granholm’s veto of the most recent attempt to regionalize the Detroit water department, Michigan Senate Journal 4/18/2006, p. 701.
45 Heath and Leavey interviews.
Chapter 4
Local Government

As the two previous chapters have recounted, metropolitan Detroit and the State of Michigan in the 1950s built a pair of institutions—one for local roads and the other for water—that provided for a massive expansion of infrastructure to serve a decentralized metropolitan population. In the early 1960s, the region’s political leaders went still further, and redefined the very meaning of “local government” to reflect the needs of the sprawling metropolis. Instead of crafting single-issue solutions to particular regional needs, the authors of a new state constitution built a highly flexible system of local and regional governance designed to accommodate any of a wide range of governmental services, and the state legislature subsequently honed it even further.

This part of metropolitan Detroit’s history is important for two reasons. First, it provides direct insight into the intentional design of the institutions of metropolitan planning and governance. The Michigan Constitutional Convention of 1961-62 provides a detailed record of the region’s political leaders explicitly stating their preferences for the system of local government. It spells out their priorities and motivations and provides crystal clear evidence of what today’s system of governance is meant to accomplish, and how.

Second, this history makes perfectly clear that the process of building “local” and “regional” institutions side-by-side, as complementary elements of a single metropolitan
governance framework, continued in the late 20th century, just as previous scholars have noted was the case in earlier times. The designers of today’s local government institutions in metropolitan Detroit explicitly and intentionally built a system, encompassing institutions as diverse as townships, cities, counties and regional authorities, with an eye toward addressing a set of needs understood at the metropolitan scale.

**The Michigan Constitution of 1963**

When the delegates to the Michigan Constitutional Convention took their seats for the first time in Lansing’s Civic Center on October 1, 1961, they had the freedom to design the state’s system of local government in whatever manner they wished. The convention had been called with the express purpose of re-writing the state’s constitution from top to bottom, and the need to overhaul the system of local government in metropolitan Detroit had been one of the central rationales for calling the convention.¹

Over the ensuing eight months, convention delegates explored and debated a wide array of options. Advocates of an efficient system of government for the rapidly growing Detroit region argued for a flexible constitutional framework that would make it easy to dispense with seemingly out-dated, small-scale local governments. Their opponents, both from outside and within metro Detroit, fought to enshrine the offices and prerogatives of such governments permanently in the constitution. The final product contained language amenable to both groups’ interests; the Michigan Constitution of 1963 simultaneously authorized new systems of urban governance, but made them contingent on future action by the rural-dominated state legislature.²
The work that ultimately culminated in the passage of the 1963 state constitution began five years earlier, when a coalition that included Michigan’s city governments and good-government groups like the League of Women Voters placed on the 1958 statewide ballot a proposal calling for a constitutional convention. These groups felt that the existing constitution—at its core a document written for a pre-industrial lumbering and farming state in 1850—was fatally outdated. It confined the state government and its subsidiary local governments to a set of rules and limitations that failed to accommodate the practical governing challenges of the late 20th century.\(^3\)

The 1958 proposal to call a constitutional convention was defeated, in a way, at the polls. The then-existing state constitution stipulated that a convention could only be called if a majority of all voters voting in an election were in favor, not just a majority of those who chose to vote on that particular question. In 1958, a majority of those voting on the question were in favor, but they did not constitute a majority of all votes cast in the election as a whole, and the proposal failed.\(^4\)

The 1958 campaign can be viewed as a case of two opposing camps fighting in common against a threat from the middle. Rural, out-state Republicans feared that overhauling the structures of government in Michigan would undermine the dominance they held in the state legislature, thanks to a system of legislative apportionment that vastly over-represented rural areas, and that empowering metropolitan Detroit with more growth-friendly rules of urban government would threaten the rest of the state. In the opposing camp, the state Democratic Party and its influential backers in organized labor feared that, since constitutional convention delegates would be elected from the same state senate districts where out-state Republicans enjoyed their most egregious
representational advantage, a convention would only further disadvantage their party and the metropolis it represented. In the middle were the suburban Detroit Republicans and non-partisan groups aspiring to get past the partisan deadlock and overhaul the state constitution in the name of good government.\textsuperscript{5}

The opposition of both camps defeated the less partisan middle, but only because of the quirk in the rules requiring a majority of all votes cast. Supporters of a constitutional convention needed to garner more support, change the rules of the game, or both, if they wanted to overhaul the structure of government in Michigan.

They succeeded in doing both. The League of Women Voters and the Junior Chamber of Commerce (the Jaycees) in 1960 together began gathering petition signatures to place on that November’s ballot a three-part proposal. It would 1) require that a constitutional convention be called if a majority of voters \textit{on that question} supported it; 2) require that delegates to a constitutional convention be elected from each state house and senate district (which would mitigate but not erase the over-representation of rural areas under the previous provision of three delegates per senate district) and 3) put the question of a constitutional convention, under the new terms, before the voters the following April, 1961.\textsuperscript{6}

The campaign to call a convention was spearheaded by George Romney, president of the automobile manufacturer American Motors Corporation, and resident of one of Oakland County’s wealthy Detroit suburbs. Romney exemplified the belief in non-partisanship and good government that characterized the campaign for constitutional revision. His group, Citizens for Michigan, took over the foundering 1960 petition drive from the civic organizations that had begun it, and with a group of professionals drawn
from Romney’s contacts at AMC, marshaled the massive public relations and signature-gathering effort to success.\(^7\)

The proposal establishing new rules for the calling of a constitutional convention passed on November 8, 1960, and voters would go to the polls the following spring to decide, under the new procedures, whether to overhaul state and local government in Michigan.

In both the November and April campaigns, supporters consistently put forward the argument in metro Detroit that a new constitution was the only way to make local government more efficient and responsive to the region’s growth. The League of Women Voters argued that a new constitution would provide “a more flexible kind of local government to meet metropolitan-area issues”\(^8\); an organizer urged campaigners to cite “metropolitan government possibilities for areas such as Wayne County [home to the City of Detroit]”\(^9\) in their contacts with voters; though not commenting on constitutional revision directly, the state chamber of commerce cited “unsatisfactory municipal annexation laws”\(^10\) as an impediment to business investment.

The rather mundane but essential task of sewer service provides just one example of metropolitan ambition being thwarted by administrative inefficiency. All around the developing metropolitan fringe, public frustration with stormwater flooding, and the state’s moratorium on new residential construction because of pollution concerns, meant that new sewer infrastructure had to be built. The job was too big, logistically and financially, for any individual municipality to handle on its own, but the suburbs with problems proved incapable of agreeing among themselves on who should pay how much for a larger system.\(^11\) The head of the Detroit Building Trades Council, the federation of
construction workers’ unions, argued that the sewer construction problem was hurting the entire metropolitan area: “In these growing communities, residential, commercial and industrial buildings are being blocked. It is hurting employment not only in building trades, but in every other trade as well because new factories planned in these areas would employ thousands of people.”

There were of course other issues in the debate over a constitutional convention: the apportionment of state legislative seats, the organization of the state’s executive branch, and limits on the amount of revenue the state could raise, among others. But the need to overhaul the structures of government in metropolitan Detroit to accommodate new settlement patterns was clearly among the central arguments for revising the state constitution. The Detroit Building Trades Council stood apart from the AFL-CIO in supporting a convention; their professional counterparts in the Michigan Society of Professional Engineers did the same. The Detroit Bar Association cited “changes in population, industrial patterns and other factors” in their decision to support the 1960 proposal. The Detroit News not only editorialized repeatedly in favor of a constitutional convention, but went so far as to run news articles instructing petition circulators in proper signature-gathering procedures.

In April of 1961, the voters of metropolitan Detroit voted overwhelmingly in favor of a constitutional convention, over the united opposition of the rest of the state. Only Wayne, Oakland, Macomb and Washtenaw Counties—the three metropolitan counties plus the one immediately adjacent that was home to the University of Michigan—voted in favor of the proposal, but the margin in the tri-county area of 72% to 28% was more than enough to outweigh out-state no votes.
In other words, Michigan was going to rewrite its constitution because metropolitan Detroit needed it to. And metropolitan Detroit needed it to in large part because it found the existing structures of local government inadequate to meet the region’s needs. This is not to say that everyone in the metropolis was of one mind as to how a new governing structure should look, or to which priorities it should be responsive. But it is clear that there was overwhelming agreement that where existing institutions were found insufficiently supportive of the region’s needs, they could and should be re-made to accommodate them. Defining those needs would be the next step.

Having called a constitutional convention, there was one step left for the voters of Michigan before the convention could begin: the election of delegates. Under the terms set forth in the November 1960 ballot proposal, convention delegates were elected at a low-turnout special election in September 1961, one from each state legislative district. Thanks in part to the way in which rural voters were over-represented by the apportionment of legislative districts (Oakland County’s single state senate seat held 13 times the population of the least-populated senate seat\(^{18}\)), and to the fact that Republicans tend to vote more reliably in low-turnout elections, the Republicans won an overwhelming majority of delegates to the convention: 99 to 45. Republicans won election in 21 districts where Democrats held the corresponding state legislative seat; Democrats won no Republican seats. 41 of the 45 Democratic delegates were from the three Detroit-area counties; 15 of the 99 Republican delegates were.\(^{19}\)

The tensions and divisions among convention delegates did not adhere neatly to either party membership or the urban/rural divide. Though the vote to call the convention
was sharply divided between urban and rural, the metro Detroit delegates did not constitute a solid voting bloc. They were divided internally by party and by their enthusiasm or lack thereof for new forms of metropolitan government. William Ford, a Democratic delegate who resided in the Wayne County suburb of Garden City, said of his work on the Local Government Committee, “I find myself agreeing more with the Republicans than the Democrats. The breakdown, the parties in this committee have formed on sectional, not party lines, between advocates of counties versus townships, cities versus counties. There will be plenty of controversy before we are through, but it will be because of large organized sectional pressure groups, not [partisan] politics.”

The advocates of larger-scale, more efficient institutions of government argued that the state constitution needed to bring governmental capacity to suburbs that lacked it. Delegate Katherine M. Cushman, a Dearborn Democrat, said, “What we want is the right to change and reform the urban counties in Southeastern Michigan. This is where there is trouble, not only in Wayne County, but in all the rapidly changing, expanding counties. These need the right to handle city functions.” The top priority of this group was the creation of so-called “county home rule” in the constitution, allowing counties to organize themselves and take on whatever functions they saw fit to. This group also argued for new procedures to make it easier for cities to annex neighboring territory and consolidate with one another. A coalition of metro Detroit school districts made one of several proposals for region-wide institutions, asking that they be allowed under the constitution to confederate for the purpose of levying a single, metro-wide property tax that would then be shared among the individual districts.
But many metro Detroit delegates felt that the burdens that might be imposed on their constituents by a more unified structure of governing and planning outweighed the potential benefits of expanded governmental capacity. Two controversies brewing outside the convention excited these passions. The City of Detroit, strapped for operating revenue, was considering enacting an income tax on both residents and non-residents who worked in the city. Suburban officials were livid, and asked that the constitution forbid any local taxation of non-residents. At the same time, the state had taken administrative action against real estate agents who excluded blacks from buying a home. More than one delegate introduced a proposal to enshrine in the state constitution a property owner’s right to sell only to whomever he chose. Amid this anxiety over the fiscal and social sanctity of individual communities within the metropolis, Delegate William Ford introduced language that would secure the continued existence of all existing municipal (city, village, and township) governments, and instruct the courts to interpret their powers liberally.

Because of the complexity and controversy inherent in these issues, the convention’s Local Government Committee was the largest of the convention’s committees. It was chaired by Arthur Elliott, a realtor from the Oakland County suburb of Pleasant Ridge, chairman of the Oakland County Board of Supervisors, and close confidante of George Romney. The committee wrangled for months with the competing mandates of big-government efficiency and small-government exclusion, repeatedly missing deadlines for reporting its recommendations to the full constitutional convention. Once the committee completed its work, the full convention was not at all bound by the recommendations, and it re-opened the issues.
In the end, the convention delegates in Article VII refused to choose between the competing visions of smaller- or larger-scale governmental institutions in the metropolis. They authorized a set of local government institutions that would allow metropolitan Detroit to function, depending on the circumstances, as a singular city, or as a small group of urban counties, or as a network of sub-regional special authorities, or as a collection of several independent cities. Rather than define a structure of governance for the metropolis, the new constitution assembled a menu of options. To a certain extent, the convention delegates were simply deferring to the state legislature (which rural Republicans knew was firmly in their control) in the details of policy making. But in authorizing such a broad array of institutions, they were also increasing and extending the overall capacity of local government in the metropolis to provide for development. The new constitutional language refused to forfeit the benefits of large-scale efficiency for the sake of small-scale exclusion, or vice versa. It authorized a range of institutions that meant the metropolis would not have to choose among these competing priorities.

In order to understand the actions of the constitutional convention, a brief glossary of jurisdictional terms is necessary. Michigan, thanks to the Northwest Ordinance of 1787 that paved the way for its settlement in the early 19th century, is divided into 83 counties, most of them perfectly rectangular, and each county is divided into typically six-mile-square townships. (These townships, in turn, are divided into 36 one-mile-square sections, so that a fine-grained grid overlays the state that provided an efficient means of land acquisition and settlement.) County and township governments under the existing constitution were low-tax, low-service governments, functioning as administrative extensions of the state in rural areas; they were sharply limited in the
functions they could perform, the taxes they could raise, and the administrative form their
government could take. As urban settlements had formed in the state according to their
own logic, rather than that of the Jeffersonian grid, cities were carved out of the
surrounding township or townships by annexation; state law authorized cities to tax at a
higher level, to engage in whatever activities they deemed appropriate, and to
administratively structure themselves according to their own preferences (so-called
“home rule”).

(See Figure 4.1.)

The constitution crafted by the 1961-62 Constitutional Convention made four important
changes to this structure of local governance in Michigan. First, it codified a series of
recent legislative changes and granted to townships most of the home rule powers that
previously had been the exclusive province of cities. So an area that required urban
services need no longer be annexed to a neighboring city, or incorporate as its own city,
in order to provide those services. In effect, townships had been made equivalent to
cities; except for some restrictions on the organization of township governing bodies,
cities and townships were both now effectively municipal governments that simply went
by different names, rather than two different modes of government with very different capacities for raising revenue and enabling development. This effectively removed the hurdle that annexation and incorporation had represented in the process of urban development.

The boundary between urban and rural, which had previously been the boundary between a city and a township, no longer existed. Delegate William Ford stated the rationale clearly: “It is our intention to come up with a set of rules to play baseball in the supreme court so that you play it with the same rules, whether you come from a township with a township matter or a county with a county matter, or you come from a city. We are not trying to give one preference over another. We are trying to get a uniform approach to the interpretation of statutes conferring powers on units of local government.”

Second, the constitution bestowed on local governments something of a blanket authorization to engage in whatever activities they chose.\textsuperscript{32} The constitutional convention adopted Ford’s language instructing courts to interpret the powers of local governments liberally. With this provision, a local government need not wait for specific state authorization to exercise one or another governmental function; instead, the burden fell on the state legislature to prescribe and limit local government activity where it saw fit to. In practice, this seemingly sweeping delegation of power was less than it seemed, because the legislature did in fact exercise its authority to precisely control a wide array of local government functions, as this paper will demonstrate in a later section. Nevertheless, this constitutional language established a system that erred on the side of
local government capacity; only where local behavior was unacceptable enough to motivate the legislature to modify it in some way would it be blocked.

Having expanded the capacity of city and township governments in this way, the convention delegates then provided a set of tools by which the metropolis could be governed at larger and larger scales. The third major change to the constitution was the establishment of a limited form of so-called “county home rule” and other expansions to county power. Home rule was limited, in that it was not “self-executing,” as the public administration scholars of the time and some of the delegates were advocating. That is, the constitution did not directly authorize counties in the state to organize themselves according to their own preferences and take on a new set of urban services; instead, it instructed the state legislature to determine the precise outlines of a “home rule” structure which counties could choose to adopt. So the constitution paved the way for a broader county role, but it left the definition of that role to future, ongoing legislative action.

The new constitution also increased the cap on debt that counties could carry, so that they could act more like cities when it came to raising revenue for infrastructure projects. Local Government Committee chairman Arthur Elliott argued that suburban townships and cities needed their counties to have this power. “The committee has increased the debt limit [from 3% to 10% of a county’s property value] to give counties greater flexibility to meet current problems. Our counties are now extending their credit for both primary and secondary purposes. Secondary obligations are incurred by placing the full faith and credit of the county behind bonds of cities and townships to enable them to borrow at the lowest possible interest rate for the construction of water and sewage systems and other public works. The county also backs revenue bonds for airports. This
secondary debt may easily exceed the 3 per cent limitation set in the present constitution.”35 When asked why the Local Government Committee had chosen 10% as the new cap, committee member D. Hale Brake replied that “It is to some extent arbitrary, be we do have the precedent that that is the limit of the cities. And what is good for the cities ought to be good for the counties.”36

Finally, the new Michigan constitution made provision for as-yet-unseen mechanisms of metropolitan governance to emerge. It authorized multiple local governments to jointly perform functions and raise revenue to pay for them, subject to legislative procedures, and it provided explicit authorization for a metropolitan-area-wide government, specifying that such an institution should preferably be a multi-purpose, rather than single-purpose, agency.37 In other words, the convention delegates were saying that where the existing jurisdictions of township, city and county failed to provide the proper scale for governing or service provision, new ones could emerge, either through inter-local partnerships or by legislative enactment of a government to encompass the entire metropolitan area.

Article VII of the Michigan Constitution was passed by the constitutional convention by a vote of 92 to 26; having been excluded from the Republican compromise, Democrats voted against it. In April of 1963, the new constitution was approved by the voters of Michigan.38

The central feature of the new constitution for the governance of metropolitan Detroit was the massive expansion in governmental capacity—the ability of a government to raise revenue and provide extensive services—that it provided for areas outside of the City of Detroit. Prior to the 1963 Constitution, that city held the
predominant role in governing the entire metropolis. Suburbanization was well under way, but the institutional structures in which suburban development was occurring did not provide the capacity that the central city had long had, and that the adjacent areas required, if development was to proceed apace. “Every unit of local government in this state now faces unprecedented problems in meeting the needs of its residents and the problems of the rapidly growing metropolitan suburbs are increasingly acute,” argued one Democratic delegate. 39 Republican delegate James K. Pollock of Ann Arbor, a University of Michigan political scientist arguing in favor of voter approval of the new constitution, wrote that “important public services, such as water, sewer, and transportation, must be extended to where the population is,” 40 and that the new constitution successfully tackled this problem.

It is important to note the manner in which the constitution extended this new capacity to the suburbs: as an a la carte menu from which the state legislature could pick the right institution for the right governmental function. Unlike in the previous constitution, which prescribed different kinds of government for different situations, the new document was far more permissive. Rather than apportion power and responsibility among different levels of government, it authorized any level from the tiniest municipality to the largest metropolitan government to exercise virtually any kind of authority, and left unanswered the question of which level would assume which responsibilities. In the midst of this process, Delegate Glenn Allen explained it to the full convention this way:

Now, there is no one solution to the metropolitan governmental problem. There are many solutions, and some of them we have already gone through. For example, one solution is to strengthen your local units of government, and this in preceding sections your full committee has
attempted to do. Another solution is to strengthen and free up your large unit of government, which is your county, and this will come later when we hit the problem of so called county home rule. Another solution is to permit freedom of action between the various political subdivisions in the state…so as to allow them to freely work with one another rather than to be restricted. Another solution is to free up the state so as to take out anything that clutters up the power of the state to move in if state moving in appears necessary. … I think…we have gone a long way to free up the legislature and the local units so that the problem can be better handled.

Allen states flatly that all of these changes, including the strengthening of local governments, were seen as a solution to the “metropolitan governmental problem.” The framers of these various tiers of government in the urban region—municipal, inter-local, county, inter-county, regional—saw each as part of the larger system, and each as part of the solution to a set of challenges and problems that operated at the metropolitan scale.

The constitutional convention delegates, having created the broad outlines of this tiered system, left to the state legislature the ongoing job of assigning different tasks of governance to different tiers; that is, the Michigan Constitution of 1963 constitutionally defined governance in metropolitan Detroit as a matter of ongoing legislative policy making.

At first glance, the granting of “home rule” to townships, cities and counties seems to contradict this notion; if these governments derive their powers directly from the state constitution, they would seem to be beyond the reach of the legislature. But the term “home rule” is terrifically misleading. It does not put municipalities on equal footing with the legislature, it only says that, absent specific legislative instruction in some field of municipal governance, the municipality is free to act as it sees fit. As later sections will demonstrate, “home rule” meant only that local governments were not dependent on a specific grant of authority before they could act, but it made them utterly
subservient to legislative regulation of whatever activities they did undertake, and it authorized the legislature to delegate to other tiers of government any function it chose. For example, the section establishing township governments reads, in its entirety, “Each organized township shall be a body corporate with powers and immunities provided by law.” (Emphasis added). The section on cities reads: “The legislature shall provide by general laws for the incorporation of cities and villages” (emphasis added), and goes on to require that such legislation limit cities’ levels and methods of taxation.

**Defining the Local**

Two legal developments over the ensuing years of the 1960s and early 1970s illustrate the way in which the Michigan legislature defined municipal power to include some powers but not others, to foster certain metropolitan outcomes but not others. The new constitution had paved the way for a more flexible system of metropolitan governance; these developments demonstrate the exercise of that flexibility to achieve a metropolis of efficient, but exclusive, expansion. The analysis here, unlike the previous discussion of the new state constitution, is less concerned with the historical narrative of how change occurred, and more concerned with the legal nature of that change and developing an understanding of the role defined for local government by the state legislature.

The state legislature, following through on the requirement of the new state constitution, in 1966 passed a bill allowing any county to enact a charter that would provide it with so-called “home rule.” As the previous section demonstrated, Michigan had already taken one step away from pure county home rule, when the constitutional
convention, rather than giving counties direct authority to organize on their own terms (so-called “self-executing” home rule), instead made them subject to legislative authorization and oversight. The legislature, in turn, used that authority to sharply limit how such “home rule” counties could be organized and what functions they could perform, and in so doing gave municipalities a new primacy in metropolitan governance.  

At first glance, the law provided the basis for a home rule county to serve as a general-purpose unit of government, authorized to provide services in the county including:

Police protection, fire protection, planning, zoning, education, health, welfare, recreation, water, sewer, waste disposal, transportation, abatement of air and water pollution, civil defense, and any other function or service necessary or beneficial to the public health, safety and general welfare of the county.

But the law imposed a crippling condition on this broad grant of authority; it forbade the county from performing any of these services “in a local unit of government [city or township] which is exercising a similar power without the consent of the local legislative body” [emphasis added]. Interestingly, this strict prohibition did not exist in the county home rule bill as it was first introduced in the state senate in 1965. Instead, Senate Bill 112 said the county could not exercise power in a municipality already exercising that power “without either the consent of the local legislative body or by the authorization of a majority vote of the electors of the county voting thereon” [emphasis added].

The deletion of this language meant that a home rule county was not free to serve as a stand-alone government, responsive to the will of the majority of its citizens, but instead only as a sort of contracting agency to the municipal governments. The fact that
it took a change in course during the legislative process to privilege municipalities in this way makes it apparent that this was in no way an inevitable outcome, but rather an intentional act to delegate to small-scale municipal governments the exercise of local power, until such time as they or the legislature required counties to serve a particular need.

To demonstrate the difference between the two approaches, one could imagine that Detroit’s residents, constituting a majority of Wayne County’s population, would prefer that Wayne County exercise planning and zoning powers, in order to remedy exclusive zoning practices in suburban municipalities. Under the bill as introduced, city voters would have been able to effect this change, but under the amended version that was passed, this was impossible. Where the new constitution had provided an expanded menu of metropolitan government options, this new law began to answer the question of who would choose from the menu, and how: metropolitan residents organized into small-scale municipalities, choosing to function as a larger (county) whole only when doing so was to the advantage each municipality.

The home rule bill privileged townships and cities in another way. As the bill was introduced, it required only that county commissioner districts be drawn with roughly equal population. As amended and passed, however, it additionally required that commissioner districts adhere as closely as possible to municipal boundary lines, reinforcing the degree to which the county government would be overseen in a way that made it especially responsive to, and sensitive to the concerns of, the individual municipalities.
The county home rule bill imposed several limits on county authority that would stand in the way of its functioning as a general-purpose government. It limited a home rule county’s rate of property taxation to 1% and was amended to sharply limit other potential forms of taxation, including an explicit ban on the income tax. The bill was modified after introduction to require that home rule counties retain an independent county road commission with complete oversight of all road construction; it also required the maintenance in a home rule county of the traditional county elected offices of sheriff, clerk, treasurer, and others, though it allowed for two or more of them to be combined. It is important to remember that all of these restrictions were being imposed on counties where the citizens would have to write their own charter and subsequently approve that charter. This new law was not simply setting out a general form for county government; the constitution had done that. Rather, it was imposing a series of limitations on the ability of a county’s residents to choose to operate as a more unified political entity.

Finally, the new county home rule bill reserved the ultimate authority over home rule counties to the state. It required the proposed county charter to be approved by the governor before it could go before the voters, and the bill was amended to state that the governor “may” approve the charter if it was in accord with state law; as introduced, the bill would have required the governor to approve the charter unless there was a conflict with existing law. The bill also said that even home rule counties could only vary from the law covering general counties where the new law provided them explicit authorization to do so.

In passing a “county home rule” bill so restrictive that it essentially gutted the very concept of home rule, the Michigan Legislature was declaring the municipal bodies
of city and township as the default providers of local government in metropolitan Detroit. There was nothing pre-ordained about this outcome. The state constitution authorized a much more expansive notion of county home rule, and the bill as introduced provided one. Only deliberate legislative tinkering eliminated the possibility of county voters choosing to govern and plan their county as a single unit.

The constitutional convention had left it to the legislature to delegate local government functions among the various tiers of metropolitan government authorized by the constitution; in the county home rule bill, the legislature delegated to municipalities any of those functions they cared to exercise, and delegated to home rule counties essentially only those matters the municipalities could all agree should be handled at the county level. But the legislature also, of course, retained its own ultimate authority in matters of local governance, and it did not hesitate to over-ride those municipalities when it saw fit to do so.

The construction of the last interstate highway in metropolitan Detroit, Intersate 696, proves that municipal power, while generously granted by the legislature in some circumstances, could at any time be completely overridden in the face a compelling metropolitan priority. Despite both statutory and constitutional guarantees, municipal governments in the close-in northern suburbs were powerless to stop the construction of the freeway on a route to which they strenuously objected.

The need for a freeway across southern Oakland and Macomb counties was first articulated in the Detroit Area Traffic Study of 1953; in 1955 the State of Michigan won federal approval for the proposed highway’s inclusion in the new federal interstate
system. By 1963, state highway officials had proposed a specific route for the highway, but state law required that the municipalities through which the highway would travel provide their consent. By 1967, the western third of the freeway had already been constructed, and the route of the eastern third agreed upon. But in the middle, two geographically small, well-off municipalities—the cities of Lathrup Village and Pleasant Ridge—were especially concerned about the loss of substantial fractions of their property tax base to the wide swath of highway, and steadfastly refused to agree to the highway’s routing.45

Governor George Romney (he had been elected governor in November 1962, not long after the conclusion of the constitutional convention) called the Michigan Legislature into special session at the end of 1967 to deal with this and several other issues, many aimed at providing a response to that summer’s conflagration of rioting in Detroit. The governor urged the legislature to bring a speedy resolution to the deadlock over the construction of I-696. In his message convening the special session, Romney wrote the following:

Construction of the freeway has already been delayed by 10 years of local bickering. Its completion is increasingly vital to the relief of traffic congestion not only in this growing suburban belt but on other east-west freeways in the entire metropolitan area. This is a needed improvement which should not be delayed further.

Because of the importance of the project and because of the continued misuse of the veto power over its construction by certain communities, I urge this Legislature to take one of two actions:

1. Establish a reasonable form of binding arbitration for the resolution by the state of local differences over freeway routes; or,

2. Remove the existing veto power over freeway route locations from communities of 30,000 population or less, which do not contribute to the cost of freeway construction.46
The legislature chose Romney’s first suggestion. After a series of parliamentary maneuvers, including transferring the bill from one committee that would not approve it to another that would, and removing a recalcitrant senator from a House-Senate conference committee negotiating the final form of the bill, the legislature passed a new law imposing mandatory arbitration of local disputes over interstate highway routing.\textsuperscript{47} Under the new law, the route chosen by the arbitration board would be final, and the state could then “proceed to acquire property”\textsuperscript{48} to build the new highway.

In 1968 the state made use of the new arbitration procedure and identified a route that Lathrup Village and Pleasant Ridge continued to find objectionable. The municipalities sued the state, and argued that the law passed in late 1967 violated Michigan’s constitution. The local governments had on their side the only language in the constitution that provided local governments specific constitutional protection against state encroachment. Virtually every other section regarding the powers of local government included some variation of the phrase “as prescribed by law,” meaning the legislature would spell out the limits of that power and could modify it at any time. A vestige of the 1908 Constitution, however, gave special protection to the existing roads and public places over which the proposed I-696 would be built. In its entirety, Article VII, Section 31 of the Michigan Constitution reads:

\begin{quote}
The legislature shall not vacate or alter any road, street, alley or public place under the jurisdiction of any county, township, city or village.\textsuperscript{49}
\end{quote}

In the specific case of roads, it would seem municipalities’ priorities were paramount under the state constitution. The judicial branch of government did not see it that way, however. The cities’ case was heard first by the Oakland County Circuit Court. The judge in the case ruled that the authors of the state constitution could not possibly
have meant to allow a single local government to stand in the way of the larger community’s plans. “Such a stagnation of transportation development at the will, whim or caprice of any one municipality…is an unreasonable conclusion,” he wrote.⁵⁰

The cities appealed, but they might have guessed they were going before an unsympathetic group when the Michigan Supreme Court agreed to hear the case immediately, skipping the intermediate step of the state Court of Appeals. “Previous delays in carrying out the declaration of policy appearing in the Federal-aid highways act of 1958 having been considered, we granted bypass of the Court of Appeals,” the high court wrote. It not only accepted the case on an expedited basis, it did not wait for an opinion to be written before it issued its ruling. Three months after ruling in favor of the state and allowing the construction of I-696 to go forward, the Michigan Supreme Court spelled out its reasoning in a five-to-one opinion.⁵¹

The majority opinion contained two parts. First, the majority had to resolve the conflict between the statute, which authorized the state to seize and build a highway on municipal streets, and the constitution, which explicitly protected municipal roads from state encroachment. The justices ruled that, at the time the case was brought before them, the state had only mandated what the route would be for I-696, but it had not yet attempted to seize any land. So even though the title of the law was “An act to provide for arbitration of disputes involving the determination of routes for interstate highways through municipalities and to authorize the acquisition of property therefor [emphasis added]”⁵², the court ruled that the sections of the law that had so far been used were not in conflict with the state constitution. The majority declined to rule on the
constitutionality of the section authorizing seizure of property, arguing that that question was not yet relevant.

That obviously left open the question of just how the seizure of land could proceed. To answer that question, the Supreme Court justices asked the attorneys in the case to present arguments on a question that neither party had brought before the court: whether the federal power of eminent domain would trump any obstacles to the seizure of land that might exist at the state level. Federal law did allow for states to ask the federal government to exercise its eminent domain power in cases where a state could not assemble the necessary land for an interstate highway, but Michigan had not taken this step. The court nevertheless ruled on what would happen if the state did pursue this path, and determined that any protections that might be afforded to local governments by the state constitution would not be relevant, because interstate highway construction was a federal undertaking, and federal law was supreme. “The Federal power of eminent domain is complete and cannot, absent some specific statutory limitation in the Federal act itself, be conditioned by any State or local or private rights.” The Michigan Supreme Court was essentially drawing a legal road map for how the state could seize city streets for the construction of I-696 in the face of a state constitutional prohibition against doing so.

The lone dissenter on the Supreme Court argued that the process by which the interstate highway route would be determined under the 1967 law could hardly be called “arbitration.” The board of arbitrators was named by the governor and operated within the governor’s office, the law provided no objective standards by which the arbitration board would make its decision, and there was no mechanism for the board’s decisions to
be reviewed. “Arbitration is an inept description of what occurs whenever the provisions of the act are invoked,” Justice Adams wrote.  

One does not have to completely discount the legal reasoning of the majority in this case to recognize the basic truth of the dissent. The historical record makes clear that the law in question had little to do with arbitration, and everything to do with clearing away an obstacle to a vital metropolitan infrastructure project. The justifications offered by Governor Romney and the Oakland County judge, the unusual manner in which the legislature passed the law, the expedited judicial timeline, and the majority opinion’s circuitous path to reach its result all point to the interpretation that, when a matter was of sufficient importance, the state could and would sacrifice even the explicit and constitutional privileging of municipal government to a greater metropolitan good.

The case of I-696 is hardly the only example of the state’s subjugation of local preferences to more broadly-defined needs. The legislature ordered several Oakland County municipalities to participate in a joint sewer construction project, and to tax their residents at a particular level to pay for it, when the municipalities could not reach agreement on their own.  

State law prevented the City of Detroit from extending its bus service to outlying suburbs without approval of the Michigan Public Service Commission. In 1968 alone, according to a law review article at the time, the state legislature passed 11 new laws honing and refining the powers of local governments.
Conclusion

Taken together, the cases of the county home rule bill and Interstate 696 clearly demonstrate that municipal power in metropolitan Detroit was a finely tuned construct of state-level policy making in response to metropolitan needs. It took intentional legislative action to preclude counties from serving as general purpose units of local government and in so doing to grant to municipalities a right of first refusal over the exercise of governing power in the metropolis. Yet where municipal power was a barrier to an important metropolitan project, it simply ceased to exist. The construction of I-696 is the most extreme example—because it required not just the passing of legislation but the over-riding of the state constitution—but hardly the only one of the state nullifying municipal power in the face of a pressing metropolitan need.

The most concise, if glib, explanation of this system of metropolitan governance is this: municipalities have lots of power, except when they don’t. If, as these cases demonstrate, municipal power is dependent on an ongoing process of legislative delegation and revocation in response to metropolitan needs and preferences, then that power is no longer properly understood as strictly municipal power, but as a metropolitan system, functioning according to metropolitan needs.

Put another way, municipal power in metropolitan Detroit was clearly predicated on two events: the initial grant of authority, and the renewing of that authority if it was exercised in a manner consistent with metropolitan preferences as expressed through state government. If, as the I-696 and other cases demonstrate, local power was taken away when it was not properly exercised, then the ongoing exercise of municipal power in
certain areas (exclusive zoning, for example) must be understood to have operated with the state’s blessing, as an exercise of the metropolitan area’s preferred policy.

This history problematizes conventional understandings of an innate American localism resisting impractical regionalism. The evidence from metropolitan Detroit indicates that the assignment of certain powers and responsibilities to a patchwork of small-scale municipal governments in the metropolis was anything but natural and inevitable, and furthermore that it occurred not in opposition to a competitive set of metropolitan needs, but in concert with, and in response to, a regionally defined mandate.

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7 Detroit News, "Citizens Group Pushes Drive for Con-Con Petition Names."
8 Detroit News, "Press Suburbs to Sign Downriver Sewer Pact."
9 Detroit News, "Backers of Con-Con Map Campaign for 'Yes' Votes."
10 Detroit News, "Press Suburbs to Sign Downriver Sewer Pact."
11 Ibid, Robert J. Mowitz and Deil Spencer Wright, Profile of a Metropolis: A Case Book (Detroit, 1962).
12 Detroit News, "Press Suburbs to Sign Downriver Sewer Pact."
13 Detroit News, "Citizens Group Pushes Drive for Con-Con Petition Names."
31 Article VII §34, Michigan Constitution of 1963.
32 Ibid.
36 Ibid.
39 Ibid.
42 Ibid. at §45.515 (c).
43 Ibid.
51 "City of Pleasant Ridge v. Governor.
54 Ibid., p. 262.
55 Mowitz and Wright, *Profile of a Metropolis: A Case Book*.
Chapter 5

Transit

Previous chapters have told the story of putatively local governments in metropolitan Detroit serving as agents in a regional institutional framework dedicated to peripheral development. In the case of both road and water expansion, the formal institutions executing the policy—a state-municipal partnership in the case of roads, and the City of Detroit in the case of water—were not themselves regionally organized or governed, but nevertheless executed policies that were intentionally regional in design and scope.

In the case of mass transit in metro Detroit, the regional political leadership did organize a single, special-purpose regional institution: the Southeastern Michigan Transportation Authority, or SEMTA*. During its heyday in the mid 1970s, the agency received revenue from a dedicated regional transit tax and secured a massive commitment of federal support for a state-of-the-art metropolitan transit system featuring underground light rail, bus rapid transit, merged city and suburban bus systems, and a downtown monorail circulator. Yet less than ten years after agreeing to the ambitious plan, SEMTA disbanded. The city and suburban bus systems remained separate; the federal government backed away from its commitment; and all that remained was the Detroit People Mover downtown monorail, a “loop to nowhere,” designed to distribute passengers from a regional rapid transit system that did not and would not exist.

* An appendix at the end of this section lists and explains the many agency acronyms used.
The abandonment of the regional transit plan appears at first glance to represent a "failure" of regionalism. What ultimately undid the plan was an irreconcilable disagreement between political leaders in the city and its suburbs over what constituted an equitable distribution of the plan’s benefits. To the city’s political leadership, regional transit meant an unfair transfer of subsidies intended to benefit its population, which constituted the vast majority of transit riders, to suburban uses. To the suburban political leadership, regional transit meant the inequitable transfer of suburban wealth to subsidize a system that would primarily benefit residents of the city.

In fact, both parties were right. State and federal transit subsidies to the region were dependent almost entirely on transit use by city residents, yet suburban political leaders fought tirelessly to secure for their jurisdictions steadily larger shares of the federal largesse. At the same time, the regional funding source for transit—an extra registration fee paid by vehicle owners in the region—came primarily from suburban drivers who would make little direct use of a transit system.

It was not for a lack of trying—by regional political leaders at every level of government and in the public and private sectors—that these perceived inequities ultimately blocked the plan from going forward. In SEMTA, the region had a singular, empowered regional agency through which to negotiate a solution. There were also countless high-level, informal negotiations among the key participants, spearheaded by the state’s governor, who made a Detroit metropolitan mass transit system a top priority of his administration. And there was the large carrot of a promised $600 million grant from the federal government. Still, the region chose not to take the steps necessary to build a modern transit system.
One can legitimately ask, then, whether this episode is most accurately viewed as evidence of a lack of regionalism, or instead as an inconvenient product of it. The historical narrative that follows strongly suggests that the reality faced by planners today—a relatively poor, still bifurcated transit system in metropolitan Detroit—is not the result of historical happenstance or an inability by the region to take a different path, but is rather the result of a conscious, deliberate choice of regional decision makers 20 years ago who had the options clearly before them and every opportunity to create something different.

Those decision makers were clearly negotiating in a very difficult environment, characterized by high degrees of racial animosity, and a steadily worsening economic environment. For example, at a 1972 forum convened to foster a “regional ethic” in the life of the metropolis, a black city official made his reluctance clear.

Whites decided that they didn’t want to live with blacks, and then they sought somewhere to go in order to bring this about, and now they want to euphemize some kind of process in order to once again gain some seat of power within the structure of that large metropolitan area.1 At the same time, the city and region’s economic fortunes were spiraling downward, and rampant inflation made estimating and paying the costs of a major infrastructure project a constant struggle.2

1967-1974

In the mid-1960s, mass transit in metropolitan Detroit, as in many major cities, was struggling to adapt itself to the realities of a sprawling, auto-oriented landscape, one where farebox revenue no longer covered operating expenses, and where a steadily larger share of the metropolitan population lived outside the core city.3
The City of Detroit’s Department of Street Railways (the DSR, which despite its name had long ago run its last streetcar and by this time operated only buses) provided transit service within the city limits. A handful of private bus companies served the suburbs, providing rides into and out of Detroit, but handling no intra-city traffic. A rider needing to travel downtown from within the city would wait for a city bus, even if a suburban bus passed the same location traveling the same route. Both the city and suburban systems were forbidden by law from serving the other’s customers. State law allowed the city to protect its monopoly within its boundaries by excluding private carriers from the transit business; outside the city boundaries, the DSR was considered to be acting as a commercial enterprise, and so was required to receive a franchise from the state Public Service Commission and submit to its regulation, as the private carriers did.¹

A wide coalition of metropolitan political leaders felt that this bifurcated transit system was outdated and inefficient, and that the region should be served by a single, modern public transit authority providing, as the regional road network did, seamless service in a unified network across municipal boundaries. In the mid-1960s, the region’s civic leadership, through its think tank and advocacy group the Metropolitan Fund, commissioned a study that argued for a new metropolitan Detroit transit authority. The Metropolitan Fund’s board of directors constituted a who’s-who of the area’s private and public sector leadership. The transit policy committee included the president of Michigan Bell, the president of the Greater Detroit Board of Commerce, the president of Ford Motor Company, United Autoworkers president Walter Reuther, and Detroit Mayor Jerome Cavanagh. In unveiling the results of the transit study, these leaders argued:

It is abundantly clear that any solutions to the regional transportation issues facing us lie in a regional approach to the problems, as so much of
our travel cuts across a myriad of governmental jurisdictions. The committee therefore recommends that a region-wide public transportation authority be immediately created to foster such solutions. A first priority for such an agency should be the integration and coordination of the services of the region’s bus systems both public and private, to the end that efficient, improved services and facilities can be provided to the citizens of the region at reasonable rates.

The Metropolitan Fund’s transit study, conducted in considerable detail by a New York engineering firm, noted that in 1965 the DSR carried 88% of the metropolitan area’s transit passengers. The study presented several options for improving service in the region, stating that a single regional authority provided the best path toward integrated, efficient transit service. But it also called attention to an issue that would play a large part in the eventual collapse of the regional transit project.

With a publicly-owned system, there is usually considerable pressure exerted to extend service to new areas without regard to economic feasibility, causing increased costs not commensurate with increases in patronage. This has not affected the DSR to a great degree, inasmuch as their area of service is primarily the City of Detroit, which is fairly densely populated. The private carriers are servicing the less populated areas and it is here that political and community pressures could be exerted on a publicly-owned carrier to extend service to marginal and sub-marginal areas. This in itself is not bad, since a public service would be provided, but other segments of the system would have to support the cost of providing such a service.

This brief aside perfectly captured the concern that Detroit’s mayors would voice throughout the ensuing attempt to create a viable regional mass transit system: not only would suburban participation in the system mean the diversion of funds to provide service with minimal public justification, but it would mean the effective subsidy of suburban riders by an already struggling city population.

In 1967, however, such battles were in the distant future. The legislature easily passed the bill creating the Southeast Michigan Transportation Authority (SEMTA). The
authority would have a nine-member governing board. Six would be appointed by the Southeast Michigan Council of Governments (SEMCOG), a general-purpose regional planning agency organized as an assembly of local governments; SEMCOG’s appointees would be distributed evenly among the central city and the counties of the region. The remaining three would be appointed by the governor of the state. One recalcitrant state house member did voice the other central concern, in addition to Detroit’s reluctance to subsidize the suburbs, that would cripple future transit development: the fear of a transit tax and whether that tax would adequately serve each community in the metropolis.

Representative E.D. O’Brien worried that the new authority would have too much power, “the ability to force the local units of government, by indirect taxation, to tax their local unit for the continuation of the operation of this authority.” Nevertheless, the state house passed the bill by a vote of 73-15; the vote in the state senate was 31-0. The event received little press coverage, though one Detroit representative was quoted in the next day’s paper voicing the hope that a new transit system would help “keep Detroit from strangling on its freeways.”

For the next few years, SEMTA was a relatively dormant agency. Though it had the legal authority to become the new regional transit provider, it had very little funding with which to purchase the still-operating private bus lines or do anything more than plan future transit development. Since transit by this time was a money-losing undertaking, SEMTA would need not only capital funds, but operating funds as well to be an actual transit provider. Those funds arrived in 1972, with the passage of a state law that for the first time used gas tax and other revenues that had previously been exclusively devoted to street and highway construction, and devoted a dedicated percentage to transit.
Republican Governor William Milliken had spearheaded a long and contentious fight to raise the gasoline tax in Michigan by two cents per gallon, and to devote ½ cent of that tax to public transit in the state. About half of the proceeds were to be used as operating subsidies for existing bus systems in the state, and the other half for capital projects, start-up services and demonstration projects. The funding allowed SEMTA to begin acquiring the private bus companies then providing a patchwork of suburban service, and to receive a subsidy to help operate them. The DSR, in turn, would receive its state subsidy through SEMTA. The state declared that SEMTA, as the overall transit authority for the region, would be the recipient of state and federal subsidies, which it would then pass on to the DSR through a “purchase of service agreement” to be negotiated between the two agencies. Technically, SEMTA was paying the city, using funds SEMTA received from the state and federal governments, to provide that portion of service in the region which occurred within the city limits. This was meant to be a preliminary step to SEMTA’s taking over the city transit system.8

From the start, Detroit felt it did not get its fair share of subsidy under the arrangement. The subsidies to the region were based on the region’s transit demand, measured in population and in miles of bus service. Virtually all of the subsidy for which SEMTA qualified was due to service provided by the DSR. But as an agency with a regional mandate, and with an oversight board with considerable suburban representation, SEMTA sought to spend that revenue disproportionately on suburban transit service.

This dispute came to light in the very first months after the 1972 legislation took effect. In the first purchase-of-service agreement negotiated between SEMTA and the city in early 1973, the two parties had to seek a ruling from the state attorney general
clarifying how much state subsidy Detroit would be entitled to if it were to receive funding directly from the state rather than in a pass-through arrangement with SEMTA. Later that year, the two agencies again sparred over how Detroit calculated its operating losses, and how much it was therefore owed under the agreement. At one point, the SEMTA staff urged the SEMTA board to approve an extension of the purchase-of-service agreement because it was necessary “to guarantee the funding for the revenue miles as operated by the DSR,” that is, the funding SEMTA received based on the number of miles DSR operated.9

The figures for SEMTA’s operation in the 1975 fiscal year bear out the city’s complaints. According to SEMTA’s own reporting presented in Table 1 below, the regional transit authority kept for its own suburban operations a portion of the regional funding stream far out of proportion to the service it provided. Measured in the number of miles its buses drove, Detroit provided 84% of the region’s transit service. Measured in the number of people served, Detroit provided 91%. Yet the city received only 61% of the state and federal operating subsidies that passed through SEMTA. On a per-passenger basis, Detroit’s operating subsidy was one sixth of the suburban bus lines’, less than 25 cents compared to more than $1.50. The city subsidized its service out of its own general purpose revenue, while the suburbs provided no local revenue to support their transit service.10

<table>
<thead>
<tr>
<th>Miles of service, in millions</th>
<th>Percentage of total regional miles</th>
<th>Number of passengers, in millions</th>
<th>Percentage of total regional passengers</th>
<th>Operating subsidy, in millions</th>
<th>Percentage of total regional subsidy</th>
<th>Subsidy per passenger</th>
</tr>
</thead>
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<td>23.2</td>
<td>84%</td>
<td>55.76</td>
<td>91%</td>
<td>$13.15</td>
<td>61%</td>
</tr>
<tr>
<td>SEMTA</td>
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<td>16%</td>
<td>5.52</td>
<td>9%</td>
<td>$8.38</td>
<td>39%</td>
</tr>
<tr>
<td>Total</td>
<td>27.67</td>
<td>100%</td>
<td>61.28</td>
<td>100%</td>
<td>21.53</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 5.1: Bus Service and Funding in Metropolitan Detroit, FY 1975

Source: “SEMTA Proposed Fiscal Year 1976 Budget”
When Coleman Young took office as Detroit’s first black mayor in 1974, he continued the fight over the city’s fair share of transit funding that his predecessor, Roman Gribbs, had begun. Young’s administration sharply criticized SEMTA for being insensitive to the city’s transit needs in the city’s official comment on SEMTA’s transit plan for 1975.

The report offers no economic or social criteria for deciding among the competing demands. Many of the service improvement ideas involve new service in relatively affluent suburban areas where automobile ownership is high. It is difficult to understand how these projects could compete successfully with some of Detroit’s transportation problems in terms of human or social needs and resource requirements.\footnote{11}

The city also complained that SEMTA drew up its plans with no input from the city regarding the its needs, even though the regional agency was charged with representing those needs, and in general that SEMTA operated as a rival bureaucracy with an eye only toward grand plans that had little to do with the bread and butter of the region’s transit service, the city buses that carried more than 90% of the region’s passengers.

To suburban political leaders, the measurement of equity in SEMTA’s transit plans was not based on the number of passengers served, but on the number of communities served, regardless of their transit demand. The attitude of Livonia Mayor Edward McNamara (later to serve as SEMTA’s chairman and the Wayne County Executive) is typical. Providing official comment on the same 1975 SEMTA transit plan that the City of Detroit so strongly objected to with a detailed accounting of ridership and finances, McNamara submitted the following, in its entirety.
Our review of the Southeastern Michigan Transportation Authority Plan indicates that no provision has been made to adequately serve Western Wayne County, more specifically, the City of Livonia. We, therefore, object to the Plan in its present state and urge that SEMCOG return the Plan to the SEMTA Commission with direction to include Livonia in the rapid transit plan.\textsuperscript{12}

At the same time as the City of Detroit and SEMTA were fighting over the equitable distribution of the region’s transit resources, they tried to conceal their differences from the federal government’s Urban Mass Transportation Administration (UMTA). UMTA, created in the 1960s as a counterpoint to the federal government’s long support for highway construction, controlled the purse strings to billions of dollars of federal transit investment, in the form of both operating subsidies and, more importantly, massive capital investments to build entirely new urban transit systems. San Francisco and Atlanta are just two examples of cities that built new transit systems in this time frame with the federal government picking up most of the cost.

In 1973, as the city and SEMTA were taking legal recourse to resolve their differences over the purchase-of-service agreement, they attempted to present a unified front to UMTA on the regional transit plan for the coming year. Detroit’s mayor included a endorsement letter in SEMTA’s transmittal of its plan to UMTA, in which he spoke optimistically about a SEMTA takeover of the DSR in the near future. The practice continued two years later, when Mayor Coleman Young at first asked UMTA to cancel SEMTA’s status as the recipient of Detroit-area federal transit subsidies, because “there had been no agreements between the City and SEMTA with respect to the amount of funding to passed through SEMTA to the City.” After negotiations between the two yielded an agreement, Young wrote to the head of UMTA, withdrawing his earlier
complaint. “I hope that this will expedite the release of [the] funds, since both the City and SEMTA are greatly in need of these funds to continue present levels of operation.”¹³

UMTA had long told metropolitan Detroit that its divided and uncoordinated transit system did not merit federal investment, and threatened to withhold any future funding for rapid transit planning until the region reached consensus on a plan to move forward.¹⁴

Notwithstanding the city’s and SEMTA’s attempts to paper over their differences in front of their federal benefactor, an UMTA staff member in a confidential communication was notably unimpressed.

Transit in Detroit is characterized by virtually a total absence of real cooperation between SEMTA and DSR. This situation follows from a combination of racial tensions, the traditional conflict between city and suburban interests, personalities, and the obsession on the part of SEMTA’s staff with the construction of a regional rapid transit system versus the pragmatic bus perspective of DSR.

No staff or management coordination in the fields of scheduling, maintenance, operations between SEMTA and DSR exist today. Apparently there are no plans for management coordination or unification short of the acquisition of DSR by SEMTA.¹⁵

This communication makes clear that in 1974, six years after the creation of a regional transportation authority and two years after a substantial commitment by the state to subsidize mass transit in the region, metropolitan Detroit was no closer to a regional transit system than it had been at the start, and was in danger of squandering the opportunity of federal investment.

**1974-1976**

Michigan Governor William Milliken determined not to let this happen. A liberal Republican from Traverse City, northern Michigan’s tourism hub, Milliken was in many
ways the ideal honest broker for the metropolitan area’s deliberations on transit. He was
not himself from the region, and so was not naturally identified with one constituency or
another. He had long been concerned with civil rights and the welfare of the city, yet he
was a Republican with considerable ties to the region’s business elite. And he was the
chief executive of the state government, which meant he had considerable leverage over
the ultimate authority in local government affairs.

In April of 1974, Milliken convened a meeting including himself, new Detroit
Mayor Coleman Young, the chairmen of SEMTA and SEMCOG, and a few high-level
staff people, and charged the group with hammering out, over the next several months, a
transit proposal for the region that would include three things:

- a dedicated local funding source to pay the region’s share of the cost of a new
  transit system;
- a plan for what service that system would provide and where; and
- the terms of a merger of Detroit’s transit operations into SEMTA.16

Just over five years later, the funding source would be in place, a plan featuring
light rail in the region’s main corridors and a downtown monorail circulator would be
agreed to and engineering work begun, and an agreement in principle to merge the two
systems would be signed. Moreover, the federal government would make a huge
financial commitment to build the planned transit system. The five-year period between
Milliken’s first meeting with the principals in 1974 and the late 1979 formal vote to
merge the bus systems and build the light rail system constituted the height of regional
transit planning in metropolitan Detroit, “the heyday of mass transit in Southeast
Michigan,” according to a participant at the time.17 But it was a slow, rancorous process,
and would prove over time to have contained the seeds of its own demise.
At that first meeting, there was agreement among the parties that their goal was a merged, unitary system, with a stable local funding source, committed to building a state-of-the-art regional transit system. But Young said Detroit needed more representation on the SEMTA governing board, so that the city’s needs would be adequately addressed by the regional authority, in contrast to the city’s experience up to that point. And Young said that the city required an “equitable purchase agreement” before allowing the region to take over the DSR. Young was concerned that SEMTA assume not only the assets of the city transit service, in the form of facilities, rolling stock, and the access to subsidies that its ridership provided, but also its liabilities, especially the obligations of an under-funded pension system.18

William Marshall, the SEMTA chairman (and president of the state AFL-CIO, appointed to SEMTA by Governor Milliken), countered that the city’s interests were already adequately represented on the SEMTA board, because its share of appointees was roughly equal to its proportion of the metropolitan population. But Marshall conceded that the point was open to further negotiation.19

The group agreed that their only hope of securing a regional transit tax was to present a unified front to the state legislature which would have to authorize it, and to metropolitan voters from whom the region’s legislators would take their cue. The general manager of SEMTA reported that in his conversations with legislative leaders, they were wary of any transit plan’s benefits to Detroit, and so suburban leaders should be brought into the negotiations at an early stage. Marshall, according to one of the participants, said that “when we get to a financing plan we need a high powered committee to sell it; people like Henry Ford [Henry Ford II, the chairman of his family’s car company and the
most visible corporate leader in efforts to revive downtown Detroit] and Leonard Woodcock [president of the UAW] leading the effort.”

Milliken established two committees to move the negotiations forward: an “executive committee,” including Milliken, Young, Marshall, the chairman of SEMCOG, and the head of the state transportation department; and a “technical committee,” consisting of each of those political leaders’ top staff people, which would negotiate and bring to the political leaders a proposal in two months.

Nearly a year later, there was no agreement, and Milliken tried a different strategy for moving the talks forward. He took the responsibility of developing a proposal into his own hands, and delegated his advisor on transportation issues as his “Special Representative” to shuttle among the various parties and hammer out an agreement. The shuttle diplomacy resulted in a “Tri-Party Agreement” among the city, SEMTA and the state, which would form the basis of Milliken’s proposal to the state legislature in April of 1975.

Milliken called for:

1. funding public transit in the Detroit region through a $10 surcharge on vehicle registrations in the three metropolitan counties;

2. building a transit system that would include
   a. light rail on three radial corridors emanating from Detroit,
   b. bus rapid transit (buses riding in dedicated freeway lanes) on two other radials and two suburb-to-suburb lines,
   c. expanded traditional bus service across the region, and
   d. a downtown people mover; and

3. a new governing board for SEMTA “reflecting the current fiscal support from the City of Detroit for the bus system, and the need for a one-man/one-vote approach.” The governing board would consist of five Detroit-appointed members, five suburb-appointed members, and three governor-appointed members that would have to be agreed to by a majority of the others.
The agreement was an important step forward in the effort to build a regional transit system, and Milliken hailed it as a sign that the barriers of the past were being overcome. He urged the legislature to adopt it:

> We need to restore public confidence in the ability of various regional interests to equitably address the transit needs of all citizens in Southeast Michigan. I believe progress toward an agreed-upon plan which includes a long-awaited consolidation of all transit services under a single operating entity, is evidence that the governmental units involved are willing to set aside parochial interests.24

Still, the agreement was not formally binding on any of the parties, and in fact both Mayor Young and the SEMTA board subsequently argued for positions that were at odds with Milliken’s proposal. The proposal did not address at all the difficult question of what the terms would be for SEMTA’s acquisition of the city bus system, which by this time had changed its name to the Detroit Department of Transportation (D-DOT). More importantly, none of the three parties—the city, SEMTA, and the executive branch of state government—had the authority to implement the proposal. The state legislature would have to pass new laws to create the metropolitan transit tax and to restructure the SEMTA board, and the federal government would have the final say on what kind of a new transit system it would pay for.

As the arena for negotiation moved to the state legislature, the central question became how SEMTA would be governed and who, therefore, would have how much control over the new regional transit revenue and the vast sums of capital investment expected to flow from Washington. Young argued in a speech to the city’s Central Business District Association, “Detroit has the only municipally-owned bus system in the region and I believe in one-bus, one-vote, but Detroit has always been generous. We’ll settle for the 4-4-1 ratio [4 city representatives, 4 suburban, and 1 gubernatorial] on the
In the 1970 census, Detroit was home to 1.5 million of the three-county region’s 4.2 million people, or 36%. If Young had four votes on a nine-member board, that would be 44%; under Milliken’s proposal for five out of 13, the city would have 38%, though it would also have a say in the three gubernatorial appointees.

Young’s reference to “one-bus, one-vote” was in pointed contrast to the suburbanites’ insistence on a “one-man, one-vote” approach to determining the membership of the SEMTA board. While the latter standard seems on its face to be the only legitimate one in a democratic system, Young was correct in pointing out that, with the vast majority of buses, the city was not only a vastly disproportionate user of the region’s transit, but a disproportionate source of funds as well, since external funding flowed according to transit demand.

So while Young needed to join with the region get a new transit system built, a substantial portion of which would require new construction in his economically depressed city, he was not without his own bargaining chips. He threatened both publicly and privately to find a way to pull out of SEMTA and have his city receive state and federal assistance directly.\(^\text{26}\)

Suburban leaders, already suspicious of transit in general and of SEMTA in particular, were adamantly opposed to even Milliken’s proposal. The mayor of the working class Oakland County suburb of Hazel Park wrote:

For Detroit to have appointive powers for five of the thirteen member SEMTA Board is of major significance, because the majority of the car owners in the tri-county regional area live outside of Detroit’s City limits. Thus offering Detroit control of SEMTA’s Board on a disproportionate share in relation to where the tax monies are coming from. …This plan is truly a benefit for Detroit, as that city will get out from under a ten to fifteen million dollar transit deficit on it’s [sic] general fund by having this burden picked up by car owners in the tri-county area instead of the
residents of Detroit alone, as is the case now. Detroit is getting the best of two worlds, disproportionate control of SEMTA’s Board and elimination of a dollar drain on the general fund. …Need for mass transit has not been sold to the people of this region. And it is unfair to thrust it upon them at their expense until such a point is reached that it is proven to them to be necessary. Otherwise, they (the people) will not buy it.27

This letter captures four overlapping reasons behind suburban wariness of the regional transit proposal: 1) it would be a help to Detroit, not the suburbs; 2) transit is an unnecessary service; 3) money would be taken from car owners and spent on bus riders; and 4) suburban interests would not be fully represented on the SEMTA board.

The question of how votes would be doled out on the SEMTA board proved the most difficult to settle. Though the primary fault line on this issue was between the city and suburbs, the suburbs themselves were of more than one mind about who should appoint their representatives. Under the initial 1967 legislation creating SEMTA, the general assembly of SEMCOG, the overall regional planning agency, appointed six of SEMTA’s nine board members. Under Milliken’s proposal, the suburban votes would be apportioned by county, and the appointments made by each county’s board of commissioners. This difference was critical to the members of SEMCOG, because it was in fact a “Council of Governments,” in which each individual city and township was represented. If the power to appoint SEMTA board members was given to counties instead of SEMCOG, municipal governments felt they would be losing influence. The group’s general assembly of hundreds of local government representatives overruled their own executive committee in demanding that the SEMCOG general assembly maintain the power to appoint the majority of SEMTA’s members. Ironically, then, the so-called regional planning body, SEMCOG, was the most vocal advocate of the prerogatives of individual municipal governments in the march toward a regional transit system.28
In the summer of 1976, presidential politics intervened to pave the way to an agreement on Milliken’s proposal for a new SEMTA, with its own local funding source and a restructured governing board, capable of building a new regional transit system. President Gerald Ford, a Michigan native, was locked in a difficult re-election campaign with former Georgia Governor Jimmy Carter, and the race even in Ford’s home state was close. (Ford would carry the state with 52.7% of the vote in November.) At some point during the year, a blue-ribbon delegation consisting of Governor Milliken, Mayor Young, and the Detroit industrialists Max Fisher and Henry Ford II met with Ford’s Secretary of Transportation, William Coleman, and urged Coleman to promise the federal funding necessary for a new Detroit regional transit system.\(^{29}\)

Though the formal announcement of the federal promise would wait until closer to election day, in the summer of 1976 the senior staff of D-DOT, SEMTA, and the state Department of Transportation were furiously trying to complete a proposal worthy of the federal commitment. The bureaucrats at UMTA were apparently caught between their professional skepticism over the prospects of mass transit in Detroit, and the political commitment that had been made by their superiors. At a meeting at which the different agencies attempted to pull together a plan, the general manager of SEMTA reported that…[UMTA Administrator Robert] Patricelli had made a decided shift in attitude toward transit investments and that while the majority of UMTA staff may still not favor a heavy capital investment in Southeast Michigan that Patricelli had to recognize the Secretary of Transportation’s commitment.\(^{30}\)

In order for the federal commitment to go forward, metro Detroit and Michigan still had to identify the regional and state funding sources that would provide the federal
government’s required 20% match for transit investments. The state legislature had to pass the bill creating the new SEMTA.

Though it took a considerable amount of debate, negotiation and compromise, the legislature passed a bill in the fall of 1976 that, while it made important changes to Milliken’s initial proposal, allowed the transit plan to go forward. The new law imposed surcharges on the state fees for vehicle registrations and title transfers in the three-county Detroit metropolitan area, and dedicated that revenue to SEMTA. It restructured the SEMTA board in a manner that was much closer to the suburbanites’ demand for “one-person, one-vote” than Young had wanted, and gave most of the appointive powers to counties. In an arrangement that could only be the result of a legislative compromise, the law created a 15-member SEMTA board, with the appointments to be made as follows:

- Detroit: 5 appointees, all appointments made by the mayor.
- Wayne County outside Detroit: 3 appointees, all appointments made by a vote of the county commissioners whose districts lay in whole or in part outside Detroit.
- Oakland County: 3 appointees, 2 appointments made by SEMCOG, 1 by the county board of commissioners.
- Macomb County: 2 appointees, both made by the county board of commissioners.
- Four outer counties: 2 appointees, one each by SEMCOG and the governor.31

The law included two conditions that made this development only a tentative step in the direction of a new regional transit system. First, it included a “sunset” provision under which the regional transit tax would expire in three years if there were no merger of the Detroit bus system into SEMTA, and in five years even if there were a merger. Second, in a reflection of the suburban concern that too much of the regional transit plan would be devoted to Detroit, the law required separate legislative approval before work could begin on any transit network that included underground rail service. In all of the
discussions to this point, a light rail “subway” running under Woodward Avenue from downtown Detroit toward Oakland County had been the centerpiece of SEMTA’s plans and public relations initiatives. That prospect was widely viewed among suburban officials as an over-investment in Detroit that would take away from the suburbs’ share of transit spending.\(^\text{32}\)

In giving only a third of the SEMTA votes to Detroit and imposing such strict conditions going forward, the legislature sharply modified Milliken’s initial plan and essentially took the suburbs’ side in their dispute with Young over the control of SEMTA and its priorities. If Young wanted the regional transit plan to go forward, he would have to forfeit control of his city’s transit system to a regional board on which he controlled only a third of the votes. But the new law was also a bitter pill for suburban lawmakers, who correctly understood the transit funding mechanism as a shift of revenue from suburban drivers to urban bus riders. During the debate one lawmaker commented, “Some mornings I wake up and wonder if this is Red China or the country I was born in and love - America.”\(^\text{33}\)

With the new legislation in hand, Governor Milliken traveled to the White House two weeks before the 1976 presidential election and finalized President Ford’s commitment of $600 million in federal funding for a metropolitan Detroit transit system. Milliken and Young then held a triumphant news conference in Lansing the next day that received front-page coverage in the Detroit newspapers. Milliken made it clear that the legislature’s passage of the new SEMTA law and Ford’s promise of funding had gone hand in hand.

I want to emphasize again that this would not be possible were it not for the legislative leaders who are here and others who were not able to be
here this morning. Their action two weeks ago triggered this whole effort.  

As asked whether Ford’s commitment was an attempt at winning Michigan votes away from Democrat Jimmy Carter, whom Young had prominently supported, the mayor said “I’m not prepared to look a partisan gift horse in the mouth,” that he was “too busy counting the money.” According to the Detroit Free Press’ state capitol bureau chief,

Political considerations began to emerge this fall as mass transit backers, in particular Milliken and Young, pressured the Legislature to approve local funding legislation in time for SEMTA to apply for a dwindling supply of federal mass transit dollars. It was not said directly, but it was considered likely that the Ford administration would allocate available money before the election to gain political leverage. Essentially, that is what has happened. The commitment of funds to southeastern Michigan and a similar commitment to be announced for the Los Angeles area Wednesday are expected to empty the federal mass transit pot. And both Michigan and California are considered crucial in the presidential election.

Politics aside, it seemed to one reporter at least that the path was clear to a new transit system and a new Detroit.

Within seven years, Detroit-area residents will be able to ride a Woodward corridor rapid-transit system, a 2.3-mile downtown Detroit “people-mover” system, a bus on reserved freeway bus lanes, a Dial-a-Ride bus, an improved commuter train and hundreds of new intracity buses.

“Developers of office and apartment buildings have told us for years that the key to Detroit’s future was a good transit system, and now that we are embarking on it, I would expect a real building boom here,” [Detroit Department of Transportation Director John] Kanters said. “I think that the major problem of getting investors interested in Detroit has been solved and this will open the door to the revitalization of the city.”

The new law and the federal commitment of $600 million had addressed the formal structure of a transit system—how it would be organized and how it would be funded—but it had left to the future two key substantive items: how that funding would be spent, especially how it would be apportioned within the divided metropolis; and the
related matter of what the terms would be for SEMTA’s acquisition of the Detroit transit system. It would take another three years before substantive progress was made on those issues.

1977-1979

Almost immediately after the Fall 1976 breakthrough of new state legislation and a new federal commitment, city and suburban leaders fully engaged the battle over what the new transit system would consist of. Though SEMTA had put forward a preliminary plan, and conversation for years had focused on the items included in the news report above, the plan had always been vague enough to serve as a consensus builder. Divisive questions remained. What portion, if any, of the Woodward light rail line would run underground in the City of Detroit? To what extent, if any, would light rail extend into the suburbs, and where would an expanded bus service take over? How much Dial-a-Ride service for less dense suburban areas would there be? All of these details of the transit plan constituted a different version of the same basic question: who would get how much, between the city and the suburbs, and among the different suburbs?

The design of a detailed plan on which actual engineering and construction could begin was therefore an exercise fraught with political complications. SEMTA began technical analysis and public hearings on a roster of various options that included over a dozen different configurations for the transit system. At a hearing in the western Wayne County suburb of Westland, a member of the public drew applause when he objected to SEMTA’s emphasis on transit lines serving the region’s main radial corridors. “People are telling you they don’t like it when all arteries lead to Detroit,” he said. When the SEMCOG executive committee—composed of elected officials of the various cities and
townships in the region—exercised its legislatively mandated oversight of SEMTA’s budget, the suburban officials cast their arguments in terms of a fair return on their investment. “We need a better way of checking on whether or not SEMTA is actually providing the dollars back to geographic areas in some semblance of the way in which they’re being contributed,” commented one. “Well I know that western Oakland County is going to get very little consideration in any of these plans,” said another.38

Young, meanwhile, argued that Detroit and the corridors radiating outward from downtown not only generated the most transit demand, they were also the areas most in need of the economic development boost that the transit lines would provide. City officials, according to the Detroit News at the time,

have argued that a large proportion of the committed funds should go to build a rapid-rail system of some kind. They argue that rapid transit would revitalize the Woodward corridor and promote commercial and industrial redevelopment downtown. Suburban officials want a larger chunk of the money spent on improvements to suburban bus service and contend a subway or other rapid-rail systems would not attract enough passengers to be worthwhile.39

At one point in the drawn-out deliberations over a transit plan, the Oakland County Board of Commissioners took a largely ceremonial vote to withdraw from SEMTA because, as one commissioner argued, “we’re just not getting an equitable share of the funds.” To accentuate their point, five of the commissioners presented to SEMTA’s general manager a ceremonial shovel as a gift for Mayor Young. It was inscribed “If you want a subway—dig it.” The vote to withdraw was every bit as theatrical as the shovel gift, because as Oakland’s county executive pointed out, withdrawing from SEMTA was not really an option. Only as a part of the regional
authority could Oakland County reap the benefits of state and federal transit subsidies.

“We can’t afford to operate our own system and we can’t afford to be left out.”

And again, even though the primary fault line was between the city and its suburbs, those suburbs were also in competition with one another. At a public hearing held in Ferndale, a suburb abutting Detroit on the north and bisected by Woodward Avenue,

a South Oakland county commissioner’s support [for Woodward light rail] was based on the hope that a rail line would serve as an economic anchor for his district to counterbalance the expected new development which the proposed M-275 [freeway] might bring to rural Oakland County.

And while the development of the transit plan was buffeted on one side by the fight over who in the metropolis would get what kind of transit investment, it was buffeted on the other by the shifting demands of its federal patron, UMTA. As the primary funder of the future transit system, UMTA exercised constant oversight of SEMTA’s planning effort. At every stage of the planning process—determining which alternatives to evaluate, determining what should go into each evaluation, UMTA required that SEMTA get the federal agency’s approval.

This process was complicated by the fact that the federal commitment of $600 million had no programmatic specificity associated with it; that is, it represented an amount President Ford had promised to the region, and a commitment President Carter had said he would live up to, but it was never specifically set aside in the budget of the U.S. Department of Transportation or in an appropriation of the Congress. The political leadership in metropolitan Detroit received different answers to basic questions like: is $600 million a minimum or maximum federal commitment; should the transit facilities
built with that funding be geared toward maximizing construction jobs, or revitalizing depressed areas, or guaranteeing a certain level of ridership?

In June of 1977, several months after Ford’s promise and a few months after Carter appointees took over the Transportation Department, Congressman Bill Brodhead of Oakland County questioned the new Transportation Secretary at a House Ways and Means Committee meeting. Secretary Brock Adams said that there was no actual fund or account with $600 million in it with Detroit’s name on it, but that “the commitment is good,” and that there was no need to set aside money at this point because the actual expenditure was years away. Adams reportedly went on to say:

The question is what is going to happen out there? I don’t know where $600 million came from, because it had no basis in fact … in terms of a plan.\textsuperscript{42}

Because neither UMTA nor SEMTA knew exactly what the federal government was committed to, there was ample opportunity for misunderstanding and ongoing negotiation about just what would be paid for. In July of 1977, after SEMTA had forwarded to Washington three options for a regional transit system that it proposed to take into a final evaluation phase, UMTA replied that the options would all cost much more than $600 million, and so had to be scaled back. The federal agency also told SEMTA to discard the economic development possibilities at transit stops as a criterion in its plan making, and focus instead on the viability of the transit service to be provided. But a few months later, likely after the intervention of the regional and state political leadership with the Carter administration, the UMTA administrator reversed course, and wrote to SEMTA that
The $600 million level of commitment…is intended as a planning target figure and not as an absolute ceiling on the level of federal dollars to be expected in Southeast Michigan for transportation improvements.43

Amid all this confusion, there was one component of the regional transit plan that had more than just a verbal commitment for financial backing: the downtown circulator known as a people mover. Throughout the 1970s, the federal government and transit experts had been keen to test the possibilities of a new kind of mass transit, an automated system that would provide door-to-door service. Detroit city officials and the downtown business elite were especially interested in the prospect of a system that would feed workers and customers to various locations around the struggling downtown. As early as 1973, the shopping center magnate Al Taubman argued for a people mover to serve as the anchor of a regional transit system and a downtown revival.

The key factor in the re-vitalization of the Central Business District is the introduction of a balanced transportation system. By balanced, I mean…(1) Some form of rapid rail transit, supplemented by a people-mover system within the CBD…(2) Expansion of bus service and parking facilities for the delivery of and convenience of those who visit the CBD…and serving as part of an interconnecting people-mover system. Because we feel that the next ring of freeways may never be built around metropolitan areas, our development planning corresponds to what we expect to be the final phase of American shopping center growth in this century…a fourth generation of retail centers within the CBD’s.44

Later that year, the downtown business group Detroit Renaissance convened a steering committee to develop a people mover proposal. Detroit Renaissance was a committee of metro Detroit’s most powerful industrialists, organized after the 1967 riots by Marathon Oil heir Max Fisher and Henry Ford II to lead a revival of the downtown. The people mover steering committee was chaired and directed by Detroit Renaissance’s executive director, Robert McCabe, and included representatives of the city, SEMTA, SEMCOG, and the state, as well as major downtown employers and the Central Business
District Association. Renaissance would play a prominent role over the next several years in the development of what would become the Detroit People Mover; even as it was included in the larger regional transit plan, the people mover had a unique status as the pet project of Detroit Renaissance.\textsuperscript{45}

In 1977, after the amorphous federal commitment of $600 million to metro Detroit, UMTA declared Detroit’s people mover proposal a finalist in the national competition to award demonstration grants to test the viability of such systems in urban downtowns. UMTA included a caveat that, should Detroit’s people mover eventually receive federal funding, that money would count against the overall $600 million commitment. This threw something of a wrench into the deliberations over what the region’s transit plan should consist of. To suburbanites assiduously tracking who got what, it appeared that the city, thanks at least in part to the help of Detroit Renaissance, was already in line to receive a significant portion of the federal commitment.\textsuperscript{46}

The process of deciding on a final transit plan for metropolitan Detroit moved in fits and starts after the 1976 announcement of federal funding. In October 1977, a divided SEMTA board voted to advance three options to the final stage of analysis. The options differed only in what kind of system would be provided on Woodward Avenue: how much of the corridor would be served by light rail, and how much of the light rail would run underground. On both questions, Detroit preferred more, suburban opponents less. At a weekend meeting at the mayoral mansion prior to the SEMTA board vote advancing the options, Young agreed to accelerate the discussions of a D-DOT/SEMTA merger in return for enough suburban votes to keep the regional transit plan moving forward.\textsuperscript{47}
In July 1978, the SEMTA board intended to finally select one option, but backed off in the face of a deadlock. The SEMTA general manager explained the development this way:

In the Board’s judgment, giving equal support to the three alternatives was done in the region’s best interest and was necessary at this time because of the significant division regarding the transit issue in the region. The Board felt that this was not the time to express a preference for a special transit alternative for the Woodward corridor. There is a considerable controversy within the region regarding underground construction. The word “subway” has taken on a strong meaning. It is either very good or very bad, depending on your perspective. Selection of a single preferred alternative may have opened up wounds, rather than healing them. A specific selection by the Board on Tuesday would have added confusion to a situation where calm deliberation is desperately needed.48

Amid all the wrangling, a former chairman of the SEMTA board and resident of the wealthy suburb of Birmingham urged his suburban successors on the board to quit jeopardizing the entire undertaking with their opposition to an underground light rail line.

The Board has become fragmented, often voting along suburban versus city lines. What a shame. SEMTA used to be above that and Board members were guided by what was right for the entire region, not just our own personal bailiwicks. …Yet here we are, seven years later, with a divided Board unable to bring the other necessary elements into juxtaposition so that the federal government continues to say “They still haven’t got their act together”. Thus, the necessary level of funding is denied us. …Please don’t waste all the time and effort past members have devoted to the Board by continuing to restudy the matter, or by continuing your opposition to the subway. If you do, in a few years, you will find yourself in the place of past Board members: wondering why you devoted all that time, when so little of meaning has been accomplished.49

In April of 1979, the SEMTA board gave preliminary approval to a transit plan that, despite the years of detailed analysis of costs and transit characteristics, included a brand-new element negotiated at the last minute: an aerial section of the Woodward light rail line, in addition to underground and at-grade sections. It also included the downtown people mover, new suburban express bus lines, extensive commuter rail, and small bus
dial-a-ride service. The light rail segment was explicitly chosen because it would create three to six times as many temporary construction jobs as a bus-only system and would more effectively lure development to the city.  

One issue remained to be settled before a transit plan could be finally approved and work on its implementation begun: the merger of the city bus system into SEMTA. Throughout the negotiating process, that was a central demand of SEMTA’s suburban members. Mayor Young, however, clearly viewed the city’s ownership of the vast majority of the region’s existing transit assets as his main bargaining chip. He also considered D-DOT’s unionized work force as a key electoral constituency. He had both substantive and practical reasons to drive a very hard bargain before turning over his city’s transit service to a regional entity where he controlled only a third of the votes.  

At one point in the process, the SEMTA chairman, Livonia Mayor Ed McNamara, asked Young in front of Governor Milliken whether the city would ever agree to a merger. McNamara reported that “Young responded yes, but it was never the intent of the City to relinquish control of D-DOT.” Young would only agree to a merger if his initial demand for apportioning SEMTA’s votes—four each to the city and suburbs, and one to be mutually agreed to by the others—was met. Suburban leaders replied that they would scuttle the entire plan, including the Woodward light rail Young so desperately wanted, if he did not agree to a merger.  

Finally, on December 18, 1979, the SEMTA board gave its final approval to a newly negotiated transit plan and an accompanying agreement to merge the city and regional transit systems, subject to certain conditions. The board agreed on yet another new option; this one dispensed with the proposed aerial portion of the Woodward light
rail line, but also extended the line two miles north of Detroit’s boundary into the southern Oakland County suburbs. In an apparent appeasement of Macomb County, the plan promised to seek light rail service to that area as well. In return for their agreement to a plan, Mayor Young signed a document pledging the city to agree to a merger with SEMTA under ten conditions, which included guarantees of city service, the state’s assumption of D-DOT’s pension liabilities, and others.54

As they had three years earlier with President Ford’s pledge of federal assistance, Detroit’s newspapers hailed the new agreement on their front page. SEMTA chairman Ed McNamara applauded the plan’s inclusion of a light rail extension into southern Oakland County as “a symbolic gesture of turning what was strictly a Detroit subway into a suburban subway.” Mayor Young’s special assistant on the transit issue announced that, as a prelude to the impending merger, D-DOT and SEMTA riders would soon be able to ride one another’s buses.55

Of the three items on which Governor Milliken had sought agreement in his first 1974 negotiating session, the region more than five years later had reached, it seemed, full agreement on two and partial agreement on the third. The regional transit funding mechanism was in place thanks to the 1976 legislation that presaged President Ford’s promise of federal funding. The transit plan, with all its difficult questions of what kind of service would be provided where, had been approved by the SEMTA board. And while a D-DOT/SEMTA merger was not concluded, both parties had agreed to a list of conditions that sufficiently protected their respective interests.
In retrospect, it is clear that in December 1979, metropolitan Detroit was as close as it would ever get to a unified regional mass transit system, which was not very close. The light rail line was never built. The merger never happened. The Detroit People Mover, begun by SEMTA and almost abandoned after a litany of engineering fiascoes and cost overruns, was taken over by the City of Detroit and completed, only to be widely reviled as obsolete. SEMTA itself was disbanded in 1988, at the unanimous request of the city and suburban political leadership. No single event or decision definitively quashed the plan agreed to in late 1979, but the divergence of interests that five years of negotiation and financial incentive had been seeking to bridge ultimately proved unbridgeable.

The twin agreements of December 18, 1979—the transit plan and list of merger conditions—were deeply flawed documents. In seeking to distribute a sufficient quantity of investment to all corners of the metropolitan region the SEMTA board had decided on a plan that would cost an estimated $1.5 billion to build, well over twice what the federal government had agreed to provide. It was less a viable plan than it was a papering over of differences, at best a fanciful opening position in negotiations with UMTA, and at worst evidence to the federal government that the region was still incapable of coming up with an actual regional plan.

And the list of conditions that would pave the way to a merger was so long that it would allow Mayor Young to postpone almost indefinitely. It required signed state and federal commitments to pay their share of the regional transit plan, an agreement by the legislature to a permanent metropolitan funding source, agreement on a “fair value” for
D-DOT, the state’s assumption of D-DOT’s pension liabilities, and several others. All of these complicated and delicate matters, already the subject of years of negotiations, were left to future deliberations.56

The first indication that there were flaws in the new SEMTA agreement came the day after it was concluded. The Democratic leader of the state senate, William Faust of western Wayne County, announced he might oppose the plan because it included the “subway” or underground light rail system. Faust was seeking leverage over Mayor Young on a separate, unrelated issue on which Young had supported Milliken over the Democratic legislative leadership. But the fact remained that the state legislature was as much if not more the central policy making body on regional transit as SEMTA. The legislature had reserved to itself the right to veto any transit plan that included underground construction, and it had “sunsetted” the regional transit tax so that a new legislative vote was necessary for the local funding to continue.57

In early 1980, the legislature had to pass two measures to keep the regional transit plan alive: a resolution approving the use of state planning money even though the project included an underground light rail line, and an extension to the regional funding mechanism. Notwithstanding the SEMTA board’s compromise plan passed only a few months previously, Oakland County officials fought vigorously to stop the legislature from giving its go-ahead. When the resolution releasing the planning money was set to be voted on, Milliken determined there were not enough votes for its passage, and succeeded in having the vote postponed. Detroit Renaissance urged its member CEO’s to use their influence to get the resolution passed, and it was eventually, along with a 6-month extension to the regional transit tax.58
A crisis had been averted in the legislature, but only temporarily. And eight months after the agreement in principle to merge the two systems, negotiations were again stalled. The state Department of Transportation staffer assigned to the talks reported that the two parties could not get past negotiating the latest purchase-of-service agreement, let alone the details of a full-blown merger.59

Then in November of 1980, one of the pillars holding up the already fragile regional transit initiative began to crumble, when Ronald Reagan defeated Jimmy Carter in the presidential election, and the prospect of a large-scale federal donation began to seem more remote. The federal commitment had, from the very beginning, been built on personal assurances between Milliken, Young, and their corporate partners on the one hand, and Presidents Ford and Carter on the other. Carter’s outgoing Secretary of Transportation, Neil Goldschmidt, perhaps freed by the knowledge that he would be unable to follow through on his wishes, wrote to Milliken and said he believed the $600 million commitment to metro Detroit should be honored. “Certainly, if this Administration was to remain, I would be willing to negotiate upward the funding commitment to southeastern Michigan,” Goldschmidt wrote.60

But with the Reagan administration on its way in, according to Milliken’s and Young’s former press secretary, Goldschmidt told Young that Goldschmidt could either try to preserve as much of the $600 million as possible, with no guarantee of success, or he could cement the funding for the people mover in place so that the new administration could not revoke it. Young chose the sure thing of the people mover.61

In August 1981, Reagan’s Transportation Secretary wrote to Milliken and outlined a new set of priorities sharply at odds with his predecessors’.
While I have reaffirmed the Department's $600 million commitment to
Southeastern Michigan, as you are aware, this Administration has
completely reassessed the Federal role in providing transit assistance.
…As a result of this reassessment, the Administration is targeting Federal
capital assistance to maintain existing transit systems that have proven
effective and are an essential part of a large urban transportation network.
Also, we have postponed the planning, engineering, and construction of all
new start projects which are not already substantially under construction at
least until the economic situation and the condition of the Federal budget
improve.

The letter acknowledged that funding for the downtown people mover was already
committed.62

The entirety of the regional transit plan was, in 1981 and 1982, still technically
viable. The Reagan administration claimed that it stood by the $600 million
commitment, though it made it clear it was reluctant to follow through. Negotiations
continued on a merger and the slimming down of the 1979 plan to make it more realistic.
The legislature extended the regional transit tax to the end of 1982. But according to a
participant, at this point “the rather fragile regional structure starts to unravel.”63

In particular, the fact that Detroit was able in some sense to “go it alone” in
getting the People Mover built excited suburban animosity. The People Mover was a
SEMTA project and part of every regional transit discussion from the early 1970s
onward, but it was only acceptable to the suburban political leadership as a part of that
larger plan to be balanced out by investments in their own jurisdictions. For it to go
ahead without the long-sought merger and without a comparable investment in the
suburbs was unacceptable to the suburban leadership. In 1981, the general manager of
SEMTA was perceived by the suburban chair of the SEMTA board to be moving too
quickly on the People Mover, and was forced by the board to resign.64
By 1983, metropolitan Detroit’s regional transit project was almost completely dormant. The legislature did not renew the transit tax and it expired at the end of 1982. Milliken retired at the end of 1982 after 13 years as governor. Engineering and construction of the People Mover continued, but the project was marred by cost overruns and unproven technology, and without the larger transit network to feed it passengers, was increasingly seen as a boondoggle. The Reagan administration, unwillingly committed to the People Mover project in the first place, reduced its commitment and began holding it up as an example of all that was wrong in urban transit investment. Eventually, amid the perception that SEMTA had mismanaged the project and the knowledge that it would be a stand-alone downtown system, rather than part of a regional one, the City of Detroit took it over and completed it.65

There was never any formal conclusion to the effort to build a regional transit system for Detroit. Various different constituencies effectively said “no” at one time or another, but never all at once or publicly, instead calling for further negotiations and study. The conversation is still very much alive in the region. But in 1988, the region’s political leaders went to the legislature and argued that SEMTA itself was a roadblock to decision making. They said a committee made up of only the mayor of Detroit and the three senior elected officials of the three metropolitan counties would make the simplest and most effective decision making body, and the legislature created the Regional Transit Coordinating Council (RTCC), made up of those four officials. The RTCC would be strictly a policy making body and pass-through entity for state and federal subsidies, and the transit operations of SEMTA would be spun off into a new, stand-alone agency.
1989, there was the invention of a new acronym, the Suburban Mobility Authority for Regional Transportation (SMART), which was and remains strictly a suburban bus agency. Twenty years after the creation of SEMTA (and to this day), the region’s transit looked much like it had in the late 1960s, featuring separate bus services serving separate populations, only now with a downtown monorail as well.66

Conclusion

Standard economics tells us that for two parties to complete a transaction, two basic sets of conditions must be met. First, the transaction must make both parties better off, or at least make neither party worse off. And second, there must be no “market failures” that prevent the parties from seeing the benefits or otherwise stand in the way of their making the transaction. When a transaction that might have occurred does not, it makes sense to ask which of these two conditions was not satisfied.

The literature on regionalism (see Chapter 1) is generally concerned with investigating the second set of conditions. The literature perceives a “lack of regionalism” in American urban areas and seeks to cure the imperfections in the way local and regional governments are structured, so that they no longer stand in the way of policies that would accrue benefit to the entire region. A handful of American urban regions are held up as places where these “market failures” have been fixed and a regional will is able to express itself. Some authors would fix the problem with new regional governments, while others would try to fix the problem with better systems for bargaining and negotiation among municipal governments.

This history of mass transit in metropolitan Detroit strongly suggests, however, that balkanization in the American metropolis can be every bit as much an expression of
regional preference as it is a failure of some preferred regional outcome to see the light of day. The regional political leadership in southeast Michigan said time and again over the years of their negotiations, in effect, “we are better off going our separate ways.” They did this even as other regions, operating under the same circumstances, completed deals with UMTA and built transit systems. At every juncture over the course of the twenty years studied here, metro Detroit’s political leadership was given the opportunity—supported by the formal institution of a robust regional transit agency, by the informal negotiation process facilitated by a tireless advocate in Governor Milliken, and by the prospect of a massive windfall of federal spending—to choose to build a unified transit system. They repeatedly chose not to.

One must ignore the overwhelming amount of historical evidence to characterize this episode as a “failure” of regionalism, if one understands that term as the frustration of a regional will that would otherwise have emerged, or as the loss of a regional benefit that would otherwise have materialized. If there were in fact a regional preference fighting to be heard, or an obvious regional benefit mysteriously hidden from view, the years of negotiations and attempts to reach a regional agreement would have certainly brought them to light. As a former general manager of SEMTA recounted in a recent interview, “The region chose not to keep this concept together.” He characterized one episode as “an expression of both parties saying ‘I don’t need you and you don’t need me, and I don’t give a damn about the future of the region.’”

The case of transit in metro Detroit, taken together with the other aspects of the region’s history detailed in the preceding chapters, demonstrates that the content of a region’s political will over time can be every bit as much responsible for the state of the
region’s physical and social development, if not moreso, than some assumed *frustration* of that will by imperfect institutions. It would be comforting to view the many ills and inequities that plague metropolitan Detroit and other American urban regions as the result of a set of procedural imperfections, subject to technocratic tinkering with the mechanisms of inter-local cooperation or regional governance. It is considerably less reassuring to understand these problems as the product of intentional choices made repeatedly by the region’s political leadership. But the historical record argues convincingly for the latter understanding.
## APPENDIX: Glossary of Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>DSR</td>
<td>The Department of Street Railways: Detroit’s bus system, renamed Detroit Department of Transportation (D-DOT) in 1975.</td>
</tr>
<tr>
<td>D-DOT</td>
<td>The Detroit Department of Transportation: Detroit’s bus system, called the Department of Street Railways (DSR) until 1975.</td>
</tr>
<tr>
<td>RTCC</td>
<td>The Regional Transit Coordinating Council, which took over the coordination of transit policy from SEMTA after 1988. It consists of the chief elected officers of the City of Detroit and the three metropolitan counties, colloquially known as “the Big 4.”</td>
</tr>
<tr>
<td>SEMTA</td>
<td>The Southeastern Michigan Transportation Authority, which coordinated regional transit and directly provided suburban transit until 1988, when it was split into SMART and the RTCC.</td>
</tr>
<tr>
<td>SEMCOG</td>
<td>The Southeastern Michigan Council of Governments, the Detroit region’s federally mandated Metropolitan Planning Organization.</td>
</tr>
<tr>
<td>SMART</td>
<td>The Suburban Mobility Authority for Regional Transportation, which became the operator of suburban transit after SEMTA’s 1988 disbanding.</td>
</tr>
<tr>
<td>UMTA</td>
<td>The Urban Mass Transportation Administration of the U.S. Department of Transportation.</td>
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</tbody>
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2 Gary Krause, personal interview.

3 Roads to Rails


6 Ibid, p.16.


9 Minutes of the SEMTA Board of Directors meetings 4/23/73 and 12/17/73, SEMCOG collection, Box 56, Folders 6 and 14.

10 “SEMTA Proposed Fiscal Year 1976 Budget,” SEMCOG collection, Box 57, Folder 17.

11 City of Detroit Department of Street Railways, “Comments on SEMTA’s Urban Public Transportation Plan FY 1975,” SEMCOG collection, Box 56, Folder 13.

12 Letter from Livonia Mayor Edward McNamara to SEMCOG Executive Director Michael Glusac, Nov. 18 1973, SEMCOG collection, Box 56, Folder 8.

13 Letter from Young to UMTA Administrator Frank Herringer, 3/31/75, SEMCOG collection Box 57, Folder 17.

14 Letter from Urban Mass Transportation Administration to Detroit Mayor Roman Gribbs, SEMTA chairman William Marshall and SEMCOG chairman Robert FitzPatrick, 12/19/72, and letter from Lt. Gov. James Brickley to FitzPatrick, 2/8/73, SEMCOG collection, Box 56, Folder 6.

15 Handwritten title “Internal UMTA memorandum,” attached to letter to SEMTA General Manager Thomas Lipscomb from UMTA Administrator Frank Herringer, 6/12/74, SEMCOG collection, Box 56 Folder 12.

16 Memo to file by SEMCOG executive director Michael Glusac, 4/17/74, SEMCOG collection Box 56, Folder 15.

17 Carmine Palombo, SEMCOG director of transportation planning, personal interview, May 31 2006.

18 Ibid.

19 Ibid.

20 Ibid.

21 Memo to SEMCOG Administrative Committee from Glusac, 4/18/74, SEMCOG collection Box 56, Folder 15.

22 Letter from Governor Milliken to SEMCOG Chairman Conrad Mallett, 3/6/75, letter from Glusac to Mallett, 3/12/75, “Tri-party agreement on Public Transportation Services in Southeastern Michigan,” all in SEMCOG collection Box 57, Folder 17.

23 Summary of the Special Message to the Michigan Legislature prepared by Milliken’ office, 4/16/75, SEMCOG collection Box 51, Folder 14.


26 Ibid., and notes taken by Glusac from meeting with Young’s executive assistant, William Cilluffo, 3/28/75, SEMCOG collection Box 57, Folder 17.

27 Letter from Hazel Park Mayor Stephen Gervas to Glusac, 4/23/75, SEMCOG collection Box 57, Folder 17.

28 Resolution by SEMCOG Executive Committee, 10/17/75; Letter from Glusac to state Sen. John T. Bowman, 11/10/75, SEMCOG collection, Box 51, Folder 14.

29 Bob Berg, press secretary to Milliken and then Young, personal interview, 6/15/06.

30 Memo to file by Gary Krause of SEMCOG, 9/27/76, SEMCOG collection Box 57, Folder 14.

31 Public Act 266 of 1976


33 Michigan House Journal, 9/30/76, p. 2956.

34 Transcript of Press Conference, 10/19/76, Milliken papers, Box 841.
Chapter 6

Conclusion

The body politic in metropolitan Detroit in the post-World War II period built a set of institutions that together govern and plan the region to this day. These institutions take many forms. In the case of local road construction, the institution is a state-local partnership which ensures that peripheral road building is subsidized. In the case of regional water provision, the institution is a single city water department that is confined by law and circumstance to provide water at-cost wherever in the region development might occur. In the case of transit service, it is a bifurcated system of agencies which ensures that city and suburb can protect their assets from the other. And in the case of local government, it is a system that delegates to municipalities, counties and regional agencies different tasks based on which will execute the task according to regional preferences.

It is easy to look at this convoluted web of different agencies and acronyms and see chaos, an utter lack of regional coordination and planning. But these seemingly disparate institutions have a great deal in common. They are all products of the same underlying political process, and they each embrace in their own way the same basic set of priorities. This set of priorities, reinforced across all manner of institutional arrangements, constitutes in fact, if not in name, the regional plan for metropolitan Detroit’s development in the postwar period. This concluding chapter will draw on the preceding case studies to describe that overarching metropolitan political process—the
actors involved, the institutions they worked through, and the outcomes they created—to create a portrait of one American metropolitan region planning its future not through any single agency or process labeled “regional planning,” but no less definitively or intentionally through a variety of different laws and institutions.

**Institutional diversity**

While metropolitan Detroit’s development of regional mechanisms for road building, water provision, governance, and transit add up to a single process of regional decision making, it is important to understand the distinctions and contrasts among each of the cases.

An important dividing line between these different institutional arrangements is whether the question of regional development is implicit or explicit in the institution’s design. In the case of the Act 51 road funding law, the evidence makes clear that a particular vision of metropolitan development drove the law’s defining feature of redistribution of wealth from the developed city to the suburban fringe. But the formal mechanism guiding road funding and development was a statewide funding formula between the state government on the one hand, and city and county governments on the other. The text of the law makes no mention of metropolitan Detroit, and Act 51 did not announce itself as a regional institution. Its regional design and impact was implicit, rather than explicit.

Similarly, metropolitan Detroit’s desire for a system of local government more conducive to peripheral development drove the overhaul of the state’s constitution. Chapter 4 made clear that the question of metropolitan governance suffused the constitutional convention’s debate on the structure of local government. But the state
constitution itself does not formally or explicitly operate as a regional institution. The regional logic is implicit in the way local government capacity is defined and distributed in the metropolis. It is no less powerful a determinant of regional outcomes, but it takes some digging to recognize the regional nature of the institution.

Contrast these two implicitly regional institutions with the explicitly regional water and transit agencies. The water department, while technically a department of city government, is widely understood and recognized as a regional agency. It is singled out in state law, where the nature of its intra-regional operation is prescribed, and even for a time in the 1960’s was called the Detroit Metropolitan Water Department. The Southeast Michigan Transportation Authority, of course, announced its regional purview in the name of the agency and was specifically invented as an institution to handle regional transit issues.

In these explicitly regional institutions, politicians directly and repeatedly fought battles over dividing the costs and benefits of regional development. The debates over water system expansion and water pricing and the fight over transit consolidation and investment all centered on the questions of winners and losers among different constituencies of the region. The systems of road funding and local governance, on the other hand, did not excite the same intra-regional debate once they were in operation. The framers of Act 51 in 1951, and the state constitution in 1962-63, understood their tasks as defining a regional future. But once those institutions were in place, the institutions ceased to be a focal point for regional political debate. They operated for the most part under the radar.
This distinction may ultimately argue for a counter-intuitive approach to creating politically sustainable regional institutions. The implicitly regional institutions proved no less capable of shaping the regional future than did those that formally announced themselves as the home of regional policy making. But precisely because the explicitly regional institutions were understood by the public and politicians to be setting regional policy on an ongoing basis, the decisions and actions of those agencies were a subject of constant debate and acrimony. It doesn’t matter how many times the courts rule that Detroit is not overcharging its suburbs for water, those lawsuits continue to be filed by suburban politicians. The road funding and local governance systems in metropolitan Detroit, however, while subject to occasional controversy and policy debates, have operated in a less contentious metropolitan political environment, certainly not immune from metropolitan political concerns, but less obsessed with them on an ongoing basis. Implementing a regional policy, usually understood to require the creation and strengthening of a regional agency, may in fact be best served by the kind of institution that shapes regional development without creating an obvious target on which intra-regional factions can focus their aim.

The other distinction that separates these regional institutions from one another is the well-documented question of “equity” regionalism versus “growth” regionalism. Among these cases, the systems for roads, water, and local government each operated in the service of regional expansion and growth. The metropolitan political community saw a need to extend these services, whether a physical commodity like roads or water, or an organizational one like taxing and zoning authority, to a wider metropolitan expanse, understanding the physical extension of these services to equal, or at least be necessary
to, regional economic growth. In fact, there was nothing inherent in the substance of these issues that precluded them from being treated as instruments of regional equity. A different formula for gas tax redistribution, a different allocation of local government power, and a different set of water pricing mandates could have made these institutions mechanisms of regional equity.

The transit system, however, was different. By the 1970s, mass transit was not exclusively, but primarily, a service for the metropolitan area’s less well off. This was true for at least two reasons. First, decades of policy geared towards the support of personal automotive transportation had made that the dominant way of getting around for those who could afford it. And the segregation of metropolitan Detroit along racial and economic lines meant that the region’s lower-class blacks occupied the metropolitan core where the land use pattern was most conducive to transit. To support the region’s transit needs was to support, in large part, the needs of the region’s poorer residents living in the City of Detroit.

The parallel cases of the water and transit systems in the 1970s provide an excellent opportunity to compare growth and equity regionalism operating in an identical environment. The obvious question is: how did the region reach consensus on expanding the water system while reaching the opposite conclusion on expanding the transit system? Put another way, why did Coleman Young accommodate the region on water policy and at the same time and in the same context prove so recalcitrant on the transit issue?

Three factors might explain this. First, Chapter 3 argued that Young acquiesced in an expansive water policy because his interest in downtown development and staving off municipal bankruptcy required that he not unduly alienate the region’s business and
political leadership. If this were true, one could argue, then why didn’t that same
dynamic force an accommodation on the transit issue? The answer is that the region
simply did not have as urgent a desire for a modern transit system as it did for an
expanding water system. It is entirely possible that Young, widely renowned even by his
opponents for his political savvy, accurately foresaw the fact that to stand in the way of
regional growth with a restrictive water policy would doom his development ambitions
for the city. Driving a harder bargain on transit, a service far less popular across the
region than water, would not have the same consequences. And as Chapter 3 noted, even
within the confines of his own city Young was viewed as far more interested in
development than equity.

In other words, what made an accommodation possible on water that was not
possible on transit was the fact that water, as a tool for growth, promised a bigger
regional pie from which to divide the spoils. Transit, notwithstanding the infusion of
federal money, was fundamentally a burden, an exercise in dividing costs rather than
benefits.

It is also the case that Young was in a very different bargaining position in his
control of the relevant regional assets. By the time he was elected mayor, the regional
water system was nearing the end of its massive expansion in production capacity,
exemplified by the Lake Huron intake and treatment facility. The region’s transit assets,
on the other hand, were overwhelmingly parked in the city’s bus garages and standing at
its bus stops. With 90% of the region’s transit ridership living in the city, Young held the
keys not only to most of the region’s buses, but to most of the state and federal transit
subsidy that flowed according to ridership. He was in a much stronger position to
demand a deal favorable to the city on transit than he was with the water system.

**State Government**

Though there are important distinctions among these cases, it is ultimately the
threads that are common among them that provide for a new narrative of regional
planning in the American metropolis. The first commonality that leaps out from each of
the previous chapters is the central, ongoing role played by the Michigan state
government in determining the form of metropolitan Detroit’s development. It is well-
established that “local government is a creature of the state”\(^1\) in the American system,
and that any change to the rules of the game in metropolitan planning and development
must be legislatively enacted. But in the history of the Detroit region, the state plays a
much greater and more precise role in the metropolitan planning process than simply
putting in place a set of ground rules. In many ways, the state *was* the regional
government for metropolitan Detroit, and therefore merits close scrutiny.

Under the conventional understanding of state-local relations, the various sub-
state levels of government—cities, counties, special-purpose districts, etc.—make policy
for their jurisdiction within a set of general rules established for them by the state
government when it grants them authority. The rules precede the policy. They establish
certain boundaries within which a local government may act. In metropolitan Detroit in
the period under study, this relationship was turned on its head. The state made rules,
and re-made them, and rescinded them, and refined them over and over again in pursuit
of a particular policy. The policy preceded the rules, and the rules only existed to the
extent that they furthered the policy.
In the case of roads, the policy was: make more room for cars and trucks; decentralize the metropolis to free up the arteries of commerce. The City of Detroit embraced this policy, because its leaders imagined it would make their city attractive for industrial re-investment. The suburbs embraced this policy because it would provide the infrastructure for their development. As Chapter 2 recounted, powerful interests from outside the region—the national highway lobby—initiated and organized this policy because it suited their commercial interests. Once that metropolitan consensus was in place, to further a metropolitan-scale policy of decentralization, the state created Act 51 to implement the policy. There is no understanding the growth of road construction in the Detroit region in the postwar period without understanding Act 51, and no understanding Act 51 without understanding the metropolitan-scale political process that went into its creation.

In the case of the water and transit systems, entire sections of state law were and are specifically directed at implementing policy in metropolitan Detroit. The statute on water service refers generically to cities of a certain population, when the City of Detroit is the only one in the state remotely close to that threshold. When Detroit’s suburbs became concerned about the pricing policies of the city water department, that section was rewritten to impose a new set of constraints on the operation of the regional water utility. The statute on transit authorities, meanwhile, creates one set of rules for every other place in the state, then in separate sections refers to “the Southeastern Michigan transit authority,” with its own set of rules for how the authority should be governed and what constraints it operates under. The legislature even went so far as to dictate the modes of mass transit that could be used in the Detroit region.
And as Chapter 4 made clear, the very architecture of local government in the region grew out of the Detroit metropolitan area’s need to break free of the strictures of a system designed for a place neatly divided among rural counties and urban cities. The state constitutional convention redesigned that system in response to metropolitan Detroit’s requirement that it do so, and according to the region’s preferences. The state legislature and state courts then refined and tweaked that system according to very specific metropolitan needs. To implement the policy of building Interstate 696 along a certain route, the state rewrote the rules governing local government power.

In a practical sense, then, metropolitan Detroit did not and does not lack a regional government. If, by regional government, we mean an institution in which the region’s citizens express their political will, and where that will is translated into regional policy, then the state government is that institution. The State of Michigan in this account did far more than simply set down a few basic ground rules under which municipal governments could bargain among themselves, or under which a regional agency could formulate policy; the state in fact was the forum for regional policy making, the primary institution in determining and implementing regional policy. That policy may have been formally implemented through a wide array of local and regional institutional arrangements, but the behavior of those formal institutions was so constrained and guided on an ongoing basis by the state, that we must view the state as the de facto policy maker.

The obvious retort to this conclusion is: how can the state government be the regional government if it makes policy for, and includes the representation of, the population of the rest of the state as well? The answer is two-fold. First, the Michigan
state government had no difficulty making and implementing policy directed only at the
Detroit region, as the chapters describing the water and transit systems made clear.
Second, the fact that state government included the representation of those from outside
the Detroit region did not limit its ability or tendency to determine policy for the region.
The regional governance executed by the State of Michigan included the input of those
from outside the region as well as those from within (as will be discussed below), but this
in no way changes the fact that it was the state that debated, determined, and
implemented regional policy.

The state government in many ways fulfilled every regional reformer’s dream for
the structure of a metropolitan government. It had all of the power and authority
necessary to regulate land use, collect taxes, seize property, build infrastructure, and do
anything else necessary for the governance and planning of a metropolitan region. It
exercised all of these powers at one time or another in the interest of implementing policy
specific to the Detroit region. From the mid-1960s onward, it represented the residents of
the region on a one-person, one-vote basis.

**Regional Actors**

The state government during this period served in a very real sense as the regional
government, but it was far from the only forum for regional policy making. It provided a
venue for the expression of the metropolitan political will. But the formation of that
will—the nitty gritty of political organizing, lobbying public opinion, forming coalitions
and negotiating the direction the region should take—occurred primarily outside the
legislature, in the interactions among a roster of political actors that appear over and over
again in the preceding chapters. Though any such list risks oversimplification, there were
basically five different parties or sets of interests that made regional planning policy in
metropolitan Detroit in the postwar period: the regional business community, Detroit’s
political leaders, their suburban counterparts, and the state and federal governments.

The metropolitan business community was at the center of every episode of
regional institution building chronicled here, as both facilitator and advocate. In the
especially telling case of the metropolitan water system, the Greater Detroit Board of
Commerce (GDBC) led the successful fight to levy a tax to pay for the construction of a
new system separate from the city’s. When the business community was persuaded that a
unified regional system under the city’s control was the preferred policy, the GDBC
rapidly changed course, argued against the policy it had only months earlier advocated,
funded studies to support its new position, and before long the region’s water policy
followed.

The business community was unique among the major actors in the regional
planning process in two respects: it had a truly regional scope in its understanding of the
issues and the positions it advocated, and it had the resources to always be at the center of
the research and analysis that are key parts of the policy process.

Whether the matter under discussion was water, or roads, or transit, or the very
structure of local government, the metropolitan debate always revolved to a greater or
lesser extent around the relative advantage to be reaped by city versus suburb. But the
business community generally transcended this divide, most likely because as a matter of
commerce and economics, the region is the functional unit of analysis much more so than
individual municipal jurisdictions. Various elected leaders could pay lip service to the
notion of regional betterment, but in the end they were responsible only for the welfare of
their own piece of it. For them, regional policy was a means to the end of serving a narrower interest. For the business community, however, self-interest and regional policy more closely coincided.

This should not be construed to mean, obviously, that the business community’s definition of the best regional planning policy was concurrent with some single regional interest in which every resident was better off. But it did mean that business leaders were in a unique position to play the honest broker in regional deliberations, and that with their concern for economic development, their arguments carried special weight.

Though those arguments were frequently in favor of the outward expansion of the metropolis that, in retrospect, did considerable damage to the central city, the business community came down on both sides of the city/suburb divide in regional planning debates. Clearly, the GDBC (now the Detroit Regional Chamber) was the decisive factor in the city maintaining control of the regional water system. It also seems entirely likely that the city’s maintaining control of that system, amid suburban calls for the “regionalization” of its formal control, is dependent in large part on the fact that the business community has not joined that call. Detroit Renaissance played a vital role in securing for the city the People Mover system that to this day sticks in the craw of suburban political leaders, but the auto industry also knowingly built a road funding mechanism designed to transfer infrastructural investment from the city to the suburbs.

The business community’s natural interest in the details of regional planning, combined with the considerable resources at its disposal, made it the default provider of detailed regional policy analysis to regional politicians. The GDBC-funded study of regional water needs pointed toward a unified city-run system. The highway lobby-
funded study of Michigan’s roads was essentially codified as law in Act 51. Without auto company president George Romney’s Citizens For Michigan collecting petition signatures, there would have been no state constitutional convention in 1961. The Metropolitan Fund’s research into transit provided the basis for creating SEMTA later that decade.

The involvement of the business community in regional policy making took on many forms, and in fact the term “business community” implies a uniformity that oversimplifies the reality. In the writing of Act 51, the business community was really a national highway lobby, pursuing the same agenda in several states across the country. The central role of the Detroit-based auto industry certainly gave that lobby an especially welcome reception in Michigan, but it was still a nationally-organized phenomenon. In the establishment of the regional water system, and the founding of SEMTA, it was the more broadly defined business leadership of the region, featuring the heads of the major retailer, utilities, and banks that one would find in any metropolitan area, that led the way. Even Detroit Renaissance, while headed by the auto industry’s Henry Ford II and oil magnate Max Fisher, fought for downtown Detroit as much for the sake of those individuals’ personal interests in the city’s revival as for any particular auto industry agenda.

The City of Detroit’s political leadership was also a diverse quantity during this time period. Between 1950 and 1990, the office of the mayor was occupied by figures as diverse as Albert Cobo, a Republican best known for embracing urban renewal with no apologies for the displacement it imposed on his black constituents; Jerome Cavanagh, a
young can-do liberal celebrated as the next John Kennedy until the 1967 riots tarnished his image; and Coleman Young, the city’s first black mayor and its combative defender in a region sharply divided along racial lines.

The city-suburban fault line, however, developed long before Young took office, and in the context of regional planning debates, these diverse mayors’ actions were far more similar than different. For Detroit mayors throughout the postwar period, their central goal in regional planning debates was rescuing their city from the crisis imposed by the migration of the region’s wealth outside of the city’s boundaries. As early as 1950, amid the deliberations over the road funding plan that would become Act 51, Cobo argued for a larger state program that would fund a bigger overhaul of his city’s transportation network, and was opposed by his suburban neighbors, who viewed Detroit as a threat to their own development. As one suburban official put it in opposing Cobo’s efforts, “Detroit has a champagne appetite and a beer income.” That exact same sentiment carried through 30 years later to Young’s demands to build an underground light rail line in the city with the region’s transit funds.

While Detroit mayors had to fight suburban resentment over the city’s development, the reverse was not always true. At Cobo’s urging, city representatives provided the crucial votes necessary to override a gubernatorial veto to implement Act 51. Cobo saw in the road building program a massive commitment towards the city’s own needs, rather than the disproportionate benefit and infrastructural largesse it bestowed on the surrounding suburbs. Similarly, the Detroit water department under several mayors, including Young, consistently expanded outward the region’s water infrastructure. For Detroit’s political leadership, suburban growth was not always seen as
a threat, because suburban growth meant regional growth, and the city could benefit from being at the center of that growth. This argument only went so far, of course. Albert Cobo could not be expected to foresee just how devastated his city would become. By the time Coleman Young was mayor, the notion that the city automatically benefited from the region’s growth came under careful scrutiny. Young did ultimately determine that his city benefited from growth in the water system it controlled, but would not benefit from turning over his city’s transit operation to suburban control.

As a general rule, suburban political leaders under no circumstances viewed growth in the city as in any way beneficial to them. It was rather a subtraction from their own growth. In the 1960s debates over the structure of local government, no amount of argument for the efficiency of county home rule or regional government could sway suburban officials from seeking to maximize the authority delegated to individual suburban governments. To be in league with the city was, ipso facto, to be sharing something that should be hoarded: the governmental capacity to lure development. In the 1970s, the argument that suburbs would benefit from a transit system serving Detroit, because that system would make the region as a whole stronger, was persuasive for some regional political actors, but simply carried no water among suburban politicians. For suburban officials, the investment of a dollar in Detroit was an entry on the negative side of a ledger sheet that had to be more than balanced by an accompanying entry on the other side.

For Detroit’s political leadership in this time period, the goal of regional planning policy was to secure for the city some fraction of the region’s growth, which was primarily happening outside their city. For suburban leaders, the goal was to protect that
wealth from city encroachment. In their negotiations over the policies governing roads, water, municipal power, and transit, these two parties sought very different things from the regional policy making process. This did not preclude them from reaching agreement, however. The 1981 state legislation requiring the city to serve suburban water customers at cost was supported by city and suburb alike, and marked an accommodation that served both parties’ interests. The city maintained its ties to the region’s growth through its ownership of the water system, while the suburbs insulated themselves against an unacceptable level of city incursion into their wealth. On the transit issue decided at roughly the same time, no such accommodation was available. Though it took years of wrangling and acrimony, in the end the two parties came to the same conclusion: there was no joint endeavor for transit that would make them both better off. They, in effect, agreed to disagree; having reached the same conclusion, their refusal to cooperate on a unified system trumped whatever efforts and entreaties the other parties in the regional political process—the business community and the state and federal governments—were able to make.

The state government was more than simply the main forum for regional policy making during this period; it also brought to that process its own agenda, its own substantive contribution to the regional policy process. In accounting for the state’s contribution to regional policy, we can divide it into three parts: legislative representatives from metro Detroit, representatives from elsewhere in the state, and officials with a statewide mandate, especially the governor and the justices of the state supreme court.
For the most part, metropolitan Detroit’s representatives to state government did not bring anything to the regional policy making process over and above what has already been described for their counterparts in local government. They represented their communities’ interests in Lansing, but did not fundamentally define those interests any differently than the corresponding local elected officials did. For example, the Detroit representatives that voted to override a gubernatorial veto to enact Act 51 were all Democrats, persuaded by their Republican mayor and a bipartisan city council to vote against the Democratic governor. In the 1981 legislation setting metropolitan water rate policy, suburban representatives from both sides of the aisle joined together to introduce the bill. Legislators from metropolitan Detroit played important roles in setting regional policy, but for our purposes they do not represent a distinct viewpoint in the negotiating process.

Out-state lawmakers, on the other hand, were a less predictable factor. They could, in effect, sit out the debate and go along with whatever metropolitan legislators agreed to, in which case the state legislature really did function as a regional legislature. When the matter at hand was relevant only to Detroit, out-state lawmakers did just this. The creation of SEMTA in 1967, the authorization of a tri-county transit tax in 1976, and the regulation of metropolitan water rates in 1981 were all accomplished by legislation affecting only the Detroit region, and out-state lawmakers did not stand in the way.

But the contents of the state constitution’s article on local government were written in 1961 by a coalition of rural and suburban lawmakers who both had an interest in strengthening township governments and forestalling metropolitan consolidation. Similarly, the Act 51 road funding legislation that systematically redistributed revenue
from city to suburb was produced by a Good Roads Federation in which rural officials played a key role. So the non-metropolitan population of the state was very much a party to the formation of metropolitan policy.

Lastly in state government, there are the roles played by the governor and courts. They of course represent branches of government co-equal with the legislative, and are thus critical to determining the substance of the state’s contribution to the politics of metropolitan planning. But they are less predictable in their actions than legislators who can be expected to vote according to the preferences of their district. There is no doubt, for example, that metropolitan Detroit came as close as it did to building a regional transit system because Governor Bill Milliken devoted an enormous amount of energy and political capital to that cause. There would be no reason, at first glance, to suspect a Traverse City Republican of having such inclinations. Similarly, the state supreme court’s ruling that allowed the construction of I-696 to proceed happened to go in favor of the regional consensus. But the substance of the decision and the dissent make it clear that a different group of justices could have taken a very different stance.

State government, therefore, played a critical role in determining regional planning policy not only because it served as the function regional government, but because it invited to the regional policy making table the out-state lawmakers and statewide officials whose tendencies are hard to predict.

The federal government, meanwhile, played a more predictable role. In the two instances when federal actors were prominent players in setting regional planning policy—the national highway lobby’s involvement in the road funding legislation, and UMTA’s participation in the debate over a transit system—it played the role of regional
facilitator. At the farthest remove from the details of metropolitan politics, the federal actors, even more than the business community, viewed the region most clearly as a single functional entity, and used their contribution of external resources to push the various participants toward that view as well. In the case of roads, when there was a strong common interest from both city and suburb to build new roads, the federal effort was successful. In the case of transit, where the key parties in the region were dead set against a unification that they perceived as not in their interests, the federal government was unsuccessful. On the whole, however, the federal government was a relatively minor player in these stories. The substance of the region’s planning ambitions came from within the region itself.

Regional Planning

And that, in the end, is what these snippets of the history of one postwar American metropolis add up to: the story of that region planning its future based on its own internal politics. It is not the story of outdated colonial-era institutions standing in the way of a regional will that would otherwise have expressed a different vision. It is not the story of regional policy lacking an appropriate forum in which to be made. It is the story of political actors from within the region, negotiating with one another and acting formally when necessary through their state legislature, arguing and negotiating a collective direction for the future.

It is a story of regional politics, and the planning that grew out of those politics. In metropolitan Detroit in the postwar period, regional planning was not some mysterious phenomenon, like a spectacular and rare butterfly to be hunted down and studied, it was the product of everyday political interactions that occurred over a wide range of
institutional arrangements. Today’s metropolitan Detroit was not “planned” in the sense that professionals with training in urban design produced a set of drawings that were assiduously followed by the region’s builders. But there can be no doubt that, in the decisions they made on road funding, water provision, local government, and transit service, the political actors of the Detroit region intentionally and carefully instituted a set of policies with a very good idea of the outcomes that would result, at least in the short term. Decades’ worth of these short-term decisions favoring a sprawling, balkanized metropolis accumulated over time into the reality we encounter today. This was not “regional planning” in the traditional sense, but nor was it mere happenstance. The region’s political leaders designed institutions and instituted polices over a wide range of issues that together guided the region’s development toward the place it finds itself in today.

This history argues for a different approach to contemporary inquiries into how to fix metropolitan America. So many contemporary analysts, whether motivated by social, environmental, or aesthetic concerns, look at the sprawling American metropolis and assume that the resulting socioeconomic segregation, polluting traffic congestion, and banal, cookie-cutter architecture must be the result of some sort of policy failure, a short-circuit in the governing process. Surely, this reasoning goes, this objectionable situation is the result of a procedural flaw of some sort. If we fix that flaw, whether it be insufficient inter-governmental cooperation or the lack of powerful regional governments, then we can fix the problems. Just look at Portland!

Metropolitan Detroit’s history presents a difficult fact, however. Just as much as Portland or any other place, metropolitan Detroit planned its regional institutions and
policies to accomplish the reality that we see today. No one, of course, could foresee precisely how each of these policies would play out, and the region’s overall welfare has a great deal to do with national and international economic trends beyond the region’s control. But the historical fact remains, the policies that led to metropolitan Detroit’s development along the lines we see today, and those that continue to guide its development, are the product of an intentional regional policy-making process. It may be a difficult process to follow because it does not all happen in one building labeled “The Regional Government,” but the previous chapters have demonstrated that it nevertheless is a process of knowingly negotiating a metropolitan will and intentionally enacting it as policy.

So when we look at the systems of governance and planning in the metropolis, instead of seeing an accidental, broken system that fails to take the region’s needs into account, this case implies that we should in fact see in those institutions a reflection of the metropolitan will. The institutional landscape of exclusively zoning municipal governments and infrastructure-spreading regional authorities should be read as a record of decisions that have been made to build a certain kind of metropolis. To attack the mechanisms of decision making in metropolitan America is, this case suggests, to treat the symptoms as if they were the disease. Treating symptoms is by no means a waste of time, but it should not be mistaken as treating the underlying disease, which in the case of Detroit’s metropolitan ills is a longstanding metropolitan political will that embraces balkanization.

It is important to recognize that by “metropolitan political will,” I am not suggesting a unitary or monolithic mandate. It is not the case that the key regional
political actors itemized above all shared a common vision of regional development and came together to enact it. And it is certainly not the case that those actors fully represented every population and viewpoint in the metropolis. Instead, by political will, I mean the aggregation over time of the myriad of political preferences existing in the metropolis, and especially those that had the political power to be amply represented at the bargaining table in the state capitol or at a regional negotiating session.

In short, metropolitan political will refers only to that set of preferences that advocates of new regional institutions claim would be captured in those institutions. As the introduction argued, the promise of regional reform is that it will capture a political preference that up till now has been unable to be voiced because of the lack of the appropriate regional governance mechanism. This case amply documents the fact that metropolitan Detroit’s development happened not because of the lack of regional policy or institutions, but because of them. In a process very much akin to the regime politics described by Clarence Stone, a regional regime consisting of a small number of frequently antagonistic parties negotiated over time the path of regional development. As in Stone’s Atlanta, that regime was neither perfectly representative of all of the affected citizens, nor did it consist of a singular set of political preferences. But nor were its participants completely devoid of political support. An ongoing process of negotiations and deliberations among a recurring cast of characters motivated and determined regional policy, and therefore constituted what I have termed the metropolitan political will.

That will presented itself time and again and was realized as policy across the whole gamut of institutional arrangements. No matter what the particular governing mechanisms were, and these cases covered a wide range, they each in the end served the
goal of a certain vision of the metropolis: sprawling and divided. That metropolitan will, in Detroit or any other place, is by no means unchanging or immutable or structurally impregnable. But nor is it a fleeting phenomenon or historical accident. This case suggests that the difficult job of changing the substance of that metropolitan will—not just organizing a latent majority, but creating a sea change in the public’s aggregate preference for metropolitan development—is what it would take to fundamentally alter the “regional plan.”

Moving forward

If, as this history argues, the contemporary institutions of planning a metropolitan region are best understood as a reflection of the region’s preferences, then where might change occur? This history argues for a simple, if difficult, approach: change policies, not institutions.

Take, for example, the system of funding local road construction and maintenance in metropolitan Detroit. If a majority of metropolitan Detroit’s citizens want to stop the paving over of the countryside with new subdivisions, the means to make that change is already at hand: Act 51. Amending just a few sentences of that existing state law would redirect millions of dollars away from peripheral development. In fact, Governor Jennifer Granholm has attempted this very strategy with state highway funding. Her “Fix It First” policy attempts to direct spending toward the repair of existing highways in already developed areas, rather than toward the construction of new, peripheral capacity.³

This policy could easily be incorporated in metropolitan street funding with a one-sentence amendment to Act 51. It might read, “funds disbursed under this act must be
spent by local governments on the repair and restoration of existing traffic facilities at their present capacities, and may not be used for the paving of new roads, the addition of new lanes, or the widening of intersections.” One sentence in an existing piece of legislation is “all” it would take. The task for regional reformers and anti-sprawl advocates, this case argues, is to do the hard work of political education and organizing to create a majority of metropolitan Detroit residents (and their counterparts in the state’s other cities) in favor of such legislation. The political challenge is considerable, but finding the institutional mechanism to implement the change is not.

Similarly, a metropolitan majority opposed to continued expansion of the regional water system could reign in that bureaucracy through the oversight of the system that already exists in state legislation. A metropolitan majority in favor of a new, unified transit service could, as leaders in the Grand Rapids area did in 2005, succeed in having the state law governing transit authorities amended to allow the collection of a local transit tax. A metropolitan majority interested in less parochial local governance could lobby to rescind the amendment that first limited county government’s home rule powers in the 1960s.

In all of these examples, the threshold question is: does the metropolitan majority in favor of the policy change exist? The task of regional planning reformers is to mobilize this majority if it does in fact exist and direct it toward the relevant policy. If that policy requires a new regional institution of one kind of another in order to take hold, then so be it. But there are clearly many examples where the mechanism to effect regional policy is already in place; it’s just that the mechanism is directing policy in a direction with which reformers disagree.
2 Quoted in “Sights Raised on Road Fund,” Detroit News 12/29/50.
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