RURAL DEMOCRACY

Teaching Note

This case is about the conflict between democracy and administration. It can be used to explore the question, “Is the will of the people always a sound basis for public policy?” Participants should be encouraged to examine whether the public interest can best be achieved through direct democracy or through “experts” acting on behalf of the public, either in the legislative or administrative spheres. The case is relevant to today’s political and administrative climate, where citizens’ mistrust motivates them to seek greater controls on government. The dilemma is that when citizens take control of decisions, the quality of the decisions may not improve.

Leadership in this environment is particularly treacherous. One should not advocate less democracy, presumably, but one should also not advocate poor administrative decisions. How can the executive balance the need for democracy and the need for administrative expertise? How does the executive support his or her staff while being responsive to the community he or she serves?

For the public administration professional, this case epitomizes the collision of professional norms with the concept of public responsiveness. Public executives, scholars, and students of public administration should be encouraged to address the question, “What is the public interest?” Students will often miss the element of tension in the decision at hand. They may either affirm the absolute right of citizens to control their government or the absolute duty of administrators to act in the public interest despite attempts at control by citizens. Scholars often want the administrator to educate the public more fully on the wisdom of his plan. Public executives may focus on achieving a possible, not necessarily an optimal, solution given the political constraints.

When these four positions have been articulated, their advocates can be encouraged to have a conversation with each other. The goal of exploring the case in this way is to make each stakeholder consider the positions of the others. If the group is fairly sophisticated in public management and is working together well, the facilitator might want to encourage the participants to collaboratively develop a new option for Skinner.

Should the participants clearly stake out their positions, yet not seem inclined to look for alternative solutions, the case teacher might want to have participants predict the
ramifications of each of the listed options on administrator Skinner's career. The group can probably coalesce around the conclusion that Skinner has no easy option.

Special Information About “Rural Democracy”

This case is not unusual in the practice of public financial management in any locality, rural or urban. There is always a tension between people who prefer a different tax-service mix; some opt for low taxes and fewer services and others for higher taxes and more services. Another preference, however, is common to modern public administration – that of lower taxes and more services for “people like me” and fewer for “people like them.” Public administrators cannot satisfy those competing demands and may be regarded as incompetent, self-serving, or both. The question for discussion among administration professionals is, then, “What should be the guiding principle for administrative action in this situation?”

Some inter-generational schisms have emerged in local administration as our population ages and older citizens become more politically active. While this case is set in a rural area, wealthy urban residents often resist higher taxes for services from which they do not benefit directly. Since older citizens are less likely to benefit directly from public education financed by the local property tax, and older citizens may have valuable real property and low-income earnings, the resistance is understandable. It begs the question, “Should only those who stand to benefit directly from government services be required to pay for them?”

Astute participants will recognize that while the state legislature mandates voters a direct voice in local government debt administration, it is also routinely willing to subvert the spirit of that mandate. Referendum requirements become increasingly common in states as citizens, especially the older, more affluent, politically active citizens, turn to their state legislators to seek restrictions on local government’s ability to tax their property. It is easy for state legislatures to grant such requests, as the cost to the state is zero, while the political rewards for “protecting” citizens from higher property taxes may be substantial. The question for legislators and citizens is, “Who do we hold accountable for outcomes in local government?

The discussion that took place at the public hearing demonstrates the difficulty citizens have in sorting out government roles and responsibilities, a difficulty that some participants may attribute to poor civic education and others to abdication of personal responsibility for citizenship. Participants will note that the topics of the public hearing ran the gamut from Supreme Court rulings, to federal environmental regulations, to state responsibilities, to local administrative decisions. Failure to separate policies at different levels of government illustrates the difficulty many citizens have with moving past general anger at “government” to consider the issue before them – the new elementary school. The case teacher might ask, “Do citizens have reciprocal responsibilities to their local elected officials? If citizens do not discharge those responsibilities, are the responsibilities of the administrator changed?”
The case teacher should expect some participants to note the inter-generational tension in the case, and the tension over the state’s role in local management decisions. Most will consider the level of awareness of the Polk County citizens who attended the public hearings when evaluating the message sent to Skinner by the referendum. An intense discussion arose, during one presentation of this case, over whether citizens should get what they “deserve” when they make poor decisions, or whether public officials should try to insulate citizens from the adverse consequences of their decisions.

The teacher might point out that the old school was built, as a WPA project, by the same government who gave us endangered species protection (the spotted owl), separation of church and state (prayer in school), and the Environmental Protection Agency (storm water treatment), if it helps move the discussion from concerns over local autonomy to personal responsibility and accountability. The teacher might also point out that the case does not reveal how many people were present for the public hearing. We should not assume that those present reflected the will of all the citizens; they were simply those most motivated by the issue. In fact, the case teacher might want to question whether a 63/37% vote against the bond issue means the will of the majority was expressed at referendum? Were the 24% of registered voters who voted simply the most motivated and organized?

And finally, in answer to the inevitable student question, Skinner took the special legislative action option. and the new school was built according to his original plan at the least cost to the county's taxpayers. There was no public backlash at seeing the new school under construction. Skinner learned a valuable lesson from the experience. Now, he carefully plans his debt issues to avoid a public referendum. The case teacher should weigh the discussion value of revealing Skinner's choice against the possibility that participants will remember who “got it right” rather than the important dilemmas inherent in executing the public interest.

**Student Response To “Rural Democracy”**

Cases can help students confront their attitudes about the citizens they serve or aspire to serve. Three distinct styles of problem-solvers among MPA students have emerged in several years of using “Rural Democracy” in the public finance classroom. The first are “enforcers,” who advocate forcing the locality to bear the burden of fines caused by the substandard school and permitting students to attend class there in order to demonstrate to the citizens the folly of having ignored the administrator’s wise counsel.

The second are “caretakers,” who advocate getting legislative approval for a special debt-issuing authority and providing the new facility for the county’s citizens at the lowest cost, despite the citizens’ wrong-headed vote, because the county administrator is the best judge of the public interest.

The third are “creators,” who find an alternative to the ones presented in the case. Their alternatives are characterized by citizen participation in, and approval for, the final decision, i.e., the “creator” might seek public support for upgrading the quality of the
prefabricated classrooms with money earned through the sale of the land on which the old school was located.

These three positions reveal the students’ philosophical leanings on the politics/administration issue. The best time for public administration students to confront their beliefs about politics and the public interest in financial administration is in the classroom, not on the job.