Abstract: In North America, why and how municipalities in large metropolitan areas cooperate is a pressing question. Both in Canada and the United States, the literature has been greatly influenced by the public choice views that rational actors have very limited rational or economic incentives to cooperate, unless the state steps in to rule cooperation. But obviously beyond the ideological debate, these views are about issues of regional cooperation from various normative perspectives, the (1) metropolitan government (old regionalism), (2) public choice (polycentrism), (3) metropolitan governance (new regionalism), and (4) rescaling and re-territorialization, which they tightly link to value systems where (1) metropolitan government centers on monocentric efficiency, (2) public choice on polycentric efficiency, (3) metropolitan governance on equity and competitiveness, and (4) rescaling and re-territorialisation centers on global competitiveness. These discussions set the stage for this paper’s main argument: in North America, the Greater Vancouver Regional District is possibly an exemplary compromise of metropolitan cooperation.

Key words: Metropolitan Cooperation/Governance/Government, Old/New Regionalism, Public Choice, Rescaling, Urban Region, Vancouver.
Introduction

In North America, why and how municipalities in large metropolitan areas cooperate is a pressing question (Sancton, 2000). A second set of enquiries is often brought along, linking and questioning cooperation and metropolitan and regional institutions (Sancton, 2008, Phares, 2009, Savitch and Vogel, 2009). Both in Canada and the United States (US), the literature of the last half century addressing those questions has been greatly influenced by the public choice views (Tiebout, 1957, R. Bish, 1971, 1973, 1974, 1975, Ostrom, 1990, R. Feiock, 2004, Don Phares, 2009) that rational actors (municipalities) have very limited rational or economic incentives, if any, to cooperate, unless the state steps in to rule cooperation. In most cases in the US, states do not step in so as to force local governments, and particularly municipalities, to cooperate. In Canada, on the contrary, over the last 20 years all but two provinces (Alberta and British Columbia), actually redrafted their local government map to increase the size of municipalities by forced amalgamations (Sancton and Young, 2009, Tindall, 2008). Whether in the US or in Canada, the public view suggests that the issue at stake is whether local governments cooperate to provide public services – public goods – or rely on market force mechanisms to compete with each others in order to provide public services at the lowest possible price (Tranel, 2009). Tranel, for instance, suggests that “metropolitan governance is trapped in a vortex of competing values” (Tranel, 2009, p.3). Also, Sancton argues that in 1998, the conservative Harris government of Ontario, which reformed the governance of the Toronto region and amalgamated Metro Toronto into a new single municipality, misconstrued what the reform would lead to (2000). In other words, the debate on metropolitan mechanisms of cooperation is ideologically charged, yet has not been assessed from a fundamentally different perspective that underscores the truly central issue: the role of regional arrangements in the construction of urban regions. The question that emerges is “what” is thought to determine the best possible local government arrangement for the management of local/regional commons, and local and/or regional public goods, so as to lower cost that is to minimize institutional cost. But obviously beyond the ideological debate these views are about issues of regional collaboration from various normative perspectives. These normative biases have only recently been acknowledged clearly in the North American literatures. For instance Savitch and Vogel in Regionalism and Urban Politics (2009) summarize the developments of those discussions under four main themes (1) metropolitan government (old regionalism), (2) public choice (polycentrism), (3) metropolitan governance (new regionalism), and (4) rescaling and re-territorialization, which they tightly link to value systems where metropolitan government (1) centers on monocentric government efficiency, (2) public choice on polycentric efficiency, metropolitan governance (3) focuses on equity and competitiveness, and (4) rescaling and re-territorialisation centers on global competitiveness.

These discussions set the stage for this paper’ main argument: in North America, the Greater Vancouver Regional District (GVRD) is possibly an exemplary compromise of city-region cooperation. In a North American environment where value systems favor market forces over government initiatives, and where efficiency is prized over effectiveness, the study of the Vancouver region, also called the Greater Vancouver
Regional District (GVRD) or Metro-Vancouver, offers interesting material to identify the various facets of those diverse arguments and to illustrate the normative issues that inform the forms of government, governance, cooperation and the functions those arrangements take for North American city regions.

After a brief historical overview of the Vancouver region, four questions organize the paper: (1) why would municipalities in the Vancouver region cooperate with each other? (2) Why is there a regional institution in the Vancouver region? (3) What is best, public or private institutions, or a rich mixture of both? And finally, (4) is the Greater Vancouver Regional District about efficiency or democracy? Arguments in this paper suggest all discussed models of urban instrumentality carry with them important normative aspects that should be acknowledged and identified by policy actors and decision makers because they constrain policy options.

**History of the Vancouver Region: co-operation for infrastructures**

The municipality of Vancouver, formerly known as Granville, was incorporated in April 6, 1886. Today, the municipality of Vancouver is at the core of a vast metropolitan region, whose governance mechanism comprises the 21 municipalities of Metro Vancouver, the Greater Vancouver Regional District (GVRD). The municipality of Vancouver is a relatively small (27% of the regional population) social and economic center of an eco-system called the Fraser basin, which is on the Canadian west coast. Vancouver’s water depends on the Fraser basin.

The key economic sectors of the Vancouver region are forestry, mining, oil and gas, tourism, technology, and finance, education, film production, and service industries to those economic activities with accounting being prominent. The manufacture and service industries located within the GVRD employ a total population of about 1.2 million. The metropolitan population was at about 950,000 inhabitants in the 1970s. Today, it has expanded to over two million, and at the current growth rate should reach 2.7 million in 2021. It is notable that Vancouver is ranked 74 (out of hundreds of cities) on the World Cities index because of the prominence of its service industries.

It is noteworthy that the Vancouver region has a history of regional instrumentalities; indeed regional boards or districts predate the 20th century, when in the latter part of the 19th century, communities across the province British Columbia felt that they would benefit from sharing the management of such amenities as water distribution or sewage and drainage. Indeed, inter-municipal collaboration originates in the desire to provide services as basic as water, sewer and transit with effectiveness for the growing communities of lower mainland. One of the very first acts was for the creation of the Vancouver Joint Sewage and Drainage District Act, which was basically established to provide water to downtown Vancouver. The great fire in 1886 was the reason for the development of a water line by fire fighters across the Vancouver downtown. At the time the Water Comptroller, Dr. E. Cleveland, had suggested the creation of an inter-municipal arrangement managed by an autonomous board. Two additional districts were legislated in the 1920s, the nearby Okanagan water district, which also dealt with fire,
drainage, ambulance services and the hospital and, the *Greater Vancouver Water District Act* that provided for drinking water to member municipalities. These were followed up by transit and sewage improvement districts. From the earliest time, these were set to provide effective services by integrating decision making, providing for economies of scales and tax collection, and also preferential rates to infrastructures financiers. These unique or dual function districts were so successful that there were over 300 districts in British Columbia in the early 1980s.

*The Greater Vancouver Regional District* and *the British Columbia Regional Districts*, however, are a 1960s creation of the provincial government of British Columbia. At the time, the province believed that districts would enhance the delivery of local services efficiently across the vast lands of the province. The first meeting of the Greater Vancouver Regional District was held on July 12, 1967. Today, the GVRD Board is made up of members of municipal councils from every municipality in the region and a director. The GVRD also uses a system of standing and advisory committees to review issues and policies for the Board. The general assessment is that this arrangement has been very successful but for transportation and policing issues, and because the GVRD is generally perceived as unaccountable to the people of the Vancouver region.

Transportation became a prominent issue in the 1990s, when the GVRD chair of the board, George Puil, brought together planning and planning transportation functions. Puil was central to the Greater Vancouver Transportation Authority Act that instituted local control over transit and transportation, integrated decision making capacity for roads and transit, funding, protection of employees and consultation with the public, municipalities and other interested organizations. Transportation was to be tightly integrated with land use planning, air quality, and economic development.

The particularity of current districts in British Columbia and specifically of the GVRD is that their mandates are unique, multifunctional and varied across the province. No two districts have the same member municipalities or same functions. The GVRD is in charge of air, regional development, regional parks, sewage, recycling and garbage, housing, water, and labour relations. Today, however, it does not include either transportation or transit functions. These were taken away from the GVRD in 2007 (Kadoka, 2010). This loss of influence on regional transportation and transit policies thus set the stage for controversies regarding who should control transit/transport planning -- the province or the city-region?

The following section is a review of the various discussions available in the literature, and specifically, regional government and governance views, public choice and rescaling and re-territorialization views are assessed with regard to their normative aspects.

**Why Would Municipalities in the Greater Vancouver Region Cooperate?**

As illustrated by Sancton (2000) debates regarding the forms and functions cities or city-regions take, started in the latest part of the 19th century, and were again prominent in the 1940s when the advent of highways spread cities into suburbs and larger city-regions
emerged across the continent. Scholars and practitioners managing the governance or
government of urban regions were justifyingly interested in what is now commonly
called the “free rider problem,” which happens when a citizen or a municipality benefits
from services provided by another municipality. A municipality free rides when its
citizens or/and its bureaucracy relies on services provided by another municipality.

Originally, Richard Musgrave⁷ argued that the free rider problem required a political
solution at the level of the city-region. Then, his doctoral student, Charles Tiebout
proposed a model that would change the nature of the discussion for over fifty years; the
essence of the Tiebout model is that there is a non-political solution to the free rider
problem in local/regional governance. Tiebout published his work in 1956 in the *Journal
of Political Economy*; he describes municipalities within a region as offering varying
baskets of goods (government services) at a variety of prices (tax rates). He assumes that
because individuals have varied personal preferences and abilities to pay, they will move,
and try to find the community that maximizes their personal utility. The Tiebout model
solved two important issues of preference identification and aggregation but also
hypothesizes that individuals were ‘rentiers’⁸ and could relocate, which is a clear
reminder that the model is an abstraction disconnected from most individuals’ lives.
Tiebout’s work was further elaborated on by a set of four other approaches that one can
sum up as “the logic of collective action,” “the tragedy of the commons”, “the prisoner’s
dilemma,” and the “governing the commons” framework.

In “The logic of collective action” Mancur Olson challenges the view that individuals
with common interests would cooperate voluntarily (1965). Olson argues that collective
action does not emerge out of possible common gains. Olson also reminds local decision
makers that municipalities sharing a large urban region would have no interest in
cooperation.

“The tragedy of the commons” is an expression coined by Garrett Hardin in a 1968 paper
published in the journal *Science*. Hardin expressed the troubling realization that when
common resources are being used by a large number of individuals, all will be doomed.
Hardin argues, “ruin is the destination toward which all men rush, each pursuing his own
best interest in a society that believes in the freedom of the commons” (Hardin, 1968, p.
1244). This view suggests that expanding municipalities within a large urban region are
doomed.

“The Prisoner Dilemma” is a formulation of the tragedy of the commons that emphasizes
non-cooperative strategies. It underlines that individuals acting rationally can lead to
collective irrational outcomes. In Campbell’s words, “…the prisoner’s dilemma suggests
that it is impossible for rational creatures to cooperate” (Campbell, 1985, p. 3). This
dilemma has fascinated scholars, as evidenced by the more than 2000 papers and books
published on this question (Grofman and Pool, 1975). Local political actors applying
metaphorically this model would assume that municipal organizations in the pursuit of
their rational interest should be fundamentally unable to cooperate.
At the heart of each of those rationales is the idea of the “free rider,” which basically offers two options: Firstly, that some actors produce the common benefit, while others free ride, thus reducing the overall benefits to all, or second, that all actors free ride, which in turn leads all to lose. Such propositions have often been understood as justifying policies that either deregulate and also lead to the privatization of public services, or on the contrary, justify the enforcement of rule to organize the management of a common good.

Nobel Prize winner Elinor Ostrom, in her framework for *Governing the Commons*, suggests that these models are very powerful but that their premises are taken for granted in empirical settings and that their metaphorical usage as foundation of policy is therefore “dangerous” (Ostrom, 1990, p. 6). Her suggestion is that those models need to be “based on realistic assessment of human capabilities and limitations” (Ostrom, 1990, p. 23) none of which should be either premised on the “Leviathan as the only way” or “privatization as the only way,” either (Ostrom, 1990, p. 8-28). Her proposal is to research “institutional arrangements [that are] rich mixtures of public and private instrumentalities” (Ostrom, 1990, p. 182). She writes, “If this study does nothing more than shatter the convictions of many policy analysts that the only way to solve Common Pool Resources problems is for external authorities to impose full private property rights or centralized regulation, it will have accomplished one major purpose” (Ostrom, 1990, p. 182). She also challenges that higher authorities should provide the best institutional arrangements, explaining that a framework with the following rules offer a safe, advantageous, and credible environment where a commitment can be made (Ostrom, 1990, p. 182-214): a finite set of actors, who are authorized to use the commons, according to specific attributes, and following specific rules, themselves designed in part by the actors themselves, and monitored and accountable to this set of actors, and sanctioned by graded punishment, thus leading the way into three “P” – public private partnerships.

Those discussions have had tremendous influence on local/regional city regions in North America; their impact is particularly well documented in Don Phares’ book *Governing Metropolitan Regions in the 21st Century* (Phares, 2009). The question this edited collection addresses is why there are only rare cases of metropolitan governments in the United States; metropolitan government being understood as an area-wide government (i.e. monocentric), which according to new regionalist perspectives does not require government like form or structure or instrumentality (to rely on Ostrom’s wording); in other words, in such instances metropolitan government policy making results from the interaction of local/regional stakeholders broadly defined, and therefore do include public and private actors and representatives working together to pool and give access to those common goods.

Today, there are about 90,000 governments in the United States (Phares, 2010, pp. 11-37) most of which are local governments. There are 363 metropolitan statistical areas, covering populated regions from about 50,000 to 19 million habitants, but none of those areas have a metropolitan government per say. Don Phares notes that from 1952 to 2007, the number of local school districts has declined from about 67,000 to about 13,000, while on the contrary; special districts have expanded from 12,000 to about 37,000.
Norris, Phares, and Zimmerman elaborate on eighteen different factors that are affecting negatively the adoption of metropolitan government and governance in the United States; this leads the authors to suggest that special districts i.e. uni-functional districts have successfully expanded because they result from informal cooperative arrangements between municipalities to manage the provision of a service. There are about 32,000 such uni-function districts today in the USA. They also note the existence of 3175 multi-function districts, and list only 34 city-county consolidations that have been successful. Ten of those only were legislated while 24 passed local referendums.

In brief, Phares illustrates the influence of the public choice views on the current policy instrument of city regions in contemporary US. These are, however, descriptive accounts, and do not elaborate on the important and critical assessment of these forms and functions, instruments or mechanisms of regional cooperation as discussed in the literatures. These alternatives to the public choice views are summed up in “Theories of Urban Politics” by Hank Savitch and Ronald Vogel (2009): there is (1) the traditionally called ‘old regionalism’ or ‘metropolitan government’ view, which was largely the target of the (2) public choice critiques. There is the (3) governance or ‘new regionalism’ view that emerged in the 1990s, and finally the currently controversial (4) ‘rescaling and re-territorialisation perspective, which was formulated in the last 10 years.

Public choice, old regionalism, new regionalism and rescaling views, all, have fundamental normative foundations that are rarely acknowledged by policy makers or the literature; for instance, the old regionalism school is a proponent of efficiency and effectiveness – its core argument was that larger government provided economies of scales, and effective i.e. equitable policies. Indeed, it is notable that effectiveness here suggest policies that reach the largest number of individuals, yet these are efficiently provided because at the lowest possible cost. The public choice view focused on efficiency only and with undertones of inclusion and exclusions. Defenders of ‘new regionalism’ would agree that the most important value is redistribution but that cooperation rather than metropolitan-government is central to achieving effectiveness. Finally, the advocates of the rescaling and re-territorialization perspective argue that what is at stake is global competitiveness, and that globalization redesigns the contours of metropolitan regions because of market pressures. These are the fundamental normative differences these instrumentalities carry with them when policy actors at work. Instrumentalities are frame policy choices and capacity for their communities. Indeed, they are normative because they frame and limit policy choices.

Hence, to elaborate (1) metropolitan government is basically a one government for one region model – it is monocentrist. It is a metropolitan government mechanism that fuses all historical municipalities to its growing core through fusion, merger and amalgamation processes. Its defenders argue that this model allows for efficient policy making because it provides most residents with policies that will offer services to most citizens at the best possible cost and therefore provide economies of scales because of the extent to which government policies fits with the demographics and economics of the region (Beard, 1923, Robson, 1939, Wood, 1961). These are efficient and effective instrumentalities
because they provide services to the highest number of individuals at the lowest costs. This model lost some credibility in the 1970s when public choice scholars argued that consolidation did not systematically provide economies of scales and that it was also disconnected to residents because cities just become too large (Bish and Ostrom, 1979, Powell, 2000). In other words, there are service efficiencies and democratic accountability issues with such large local governments. It is notable that in the US only 34 urban regions are made up of a single regional government. Most large cities in Canada however take the form of metropolitan governments; Toronto and Winnipeg are well known examples.

(2) The public choice argument is that municipalities should only cooperate when there are strong and clear market rationales to cooperate. Public choice proponents argue that single function districts competing with each other for the delivery of a given service are an ideal solution because such instrumentalities leave it to market forces to deliver optimum service levels at optimum price levels; price being represented in property tax levels. Clearly, the highest level of service at the lowest possible price is the ideal situation. This model leads regional instrumentalities to be efficient and market driven. Urban regions and service provision are fragmented but they are efficient because they allow municipalities to achieve the best level of service their local market can afford without any equity or redistribution being accounted for.

(3) The ‘new regionalism’ is a compromise between public choice and old metropolitan government ideas; it basically argues that within a large urban region, municipalities may compete to provide services at the lowest possible cost, and, when they are able to they cooperate. Defenders argue that this mixed model is flexible to adapt instrumentalities to complex multi-centered urban regions, and provide residents with policies that attempt to be equitable yet also address global competitiveness concerns (Rusk, 1993, Savitch and Vogel, 1996, and, Altshuler, 1999). ‘New regionalism’ has been criticized for its lack of capacity to address issues of social and economic disparity across an urban region (Altshuler et al. 1999). Also, social scientists have shown that ‘new regionalism’ is a weak and a selective form of governance for a city-region because municipalities do not have to cooperate on any given issues, not even planning for instance (Friskens and Norris, 2001, Lefevre, 1998). It is notable for instance, as shown by Phares, that in the United States less than 8% of all regional governance arrangements are based on multifunction mechanisms. In other words, because of its weak form in the ‘new regionalism,’ the efficiency paradigm overpowers the effectiveness paradigm.

(4) Rescaling and re-territorialisation views are fundamentally concerned by issues of global competitiveness and suggest that rescaling and restructuring of local boundaries and functions, and the relationships with private and non-governmental actors enhance the collective policy capacity of local communities and governments across their region and with higher levels of governments. This literature also suggests that efficiencies lead to the redesign of the territorial map of the city-region, which question the validity of municipal/regional boundaries and enhances multi-scalar policy issues and concerns. The major critique of rescaling is that it is economically deterministic and does not take into
account the influence of local politics and local choice because it assumes that rescaling results from economic globalization.

In brief, the instrumentalities of large urban regions may be understood along two polar opposite views: The first one underscores the perspective of 19th century reformers that market forces regulate municipal corporations, and that they are unable to organize cooperation unless there is a strong and visible market rationale. The second, and polar opposite view, is that an upper level government (province or state) has to step in to legislate cooperation otherwise the regional instrumentality remains weak.

In the case of the GVRD, this would suggest that unless there is a clear market rationale, the GVRD should be unable to make any advances in any area of cooperation, except when the provincial government steps in and legislates cooperation. An illustration of this tension is reflected in the GVRD losing its funding and policy responsibility in matters of transportation in 2004 when the provincial government did not agree with local/regional decisions. This provincial intervention led to further tensions, and allowed the province (not Metro-Vancouver) to control funding and planning for a specific transportation project, which was opposed by residents and municipalities, but served the provincial goals to establish a light train line from the Vancouver airport to a number of Olympic facilities and downtown Vancouver.

So in summary where does Metro-Vancouver stand? According to the public choice views there are no rational reasons to justify cooperation in the Vancouver region. But, in line with Elinor Ostrom’s key arguments, there are reasons to understand why for the last 50 years municipalities work together within the Great Vancouver Regional District. Indeed, despite regular conflicts and disagreements, the Greater Vancouver Regional District has achieved consensus, for instance, on regional planning since the 1960s, and Regional Growth Strategy plans have been successful governance tools since 1976. The current plan was achieved in 1996, and is currently underway (GVRD – Vancouver Regional Growth Strategy). The issue of the “free rider” is not uncommon in the Vancouver region, and regularly, one of the member municipalities threatens to secede from the Regional District discussion on policy specific issues. Interestingly as well, as argued by Ostrom, the GVRD has a finite number of members, 21 in 2010, that are authorized by provincial legislation to use the commons and to make policy decisions according to specific attributes and rules, and within a system that is monitored and accountable to the electorates of the member municipalities.

It is notable that it is a 1960s provincial initiative that created the Greater Vancouver Regional District. In other words, the province played the Leviathan’s role in regulating key public policy arena of cooperation authoritatively. Notably, the province organized cooperation along very specific policy arenas: sewage and drainage, and later, water). The Greater Vancouver Regional District (GVRD) has never had the authority to compel municipalities to either agree or to cooperate. The GVRD, for instance, has to develop ideas, fosters cooperation and dialogue among member municipalities and continually enhances its legitimacy through public education and public participation to maintain it legitimacy (GVRD – the Regional homeless Plan). Finally, however, it is difficult to
make the case that the Vancouver region governance system is a rich mix of public and private instrumentalities because the two tier system found in the GVRD is fundamentally rooted in a rich local history and culture of political activism and participation. For instance, each municipal council is directly elected and one serves on the GVRD Board so a total of 35 members, 21 elected officials and 14 public officials actually make policy for Metro-Vancouver member municipalities and their citizens.

Furthermore to this analysis, it is important to note that the public choice views ignore a few important issues, which defend the fundamental role of public and elected institutions in the allocation of public good and the commons: Public and private institutions serve communities according to logics that are fundamental to their very nature. (1) public institutions are premised to serve territorially based communities and citizens; these take the traditional municipal form, (2) whereas the foundations of private institutions are to serve functionally based communities and customers; these are networked organizations. For Manuel Castells there is a territorial logic that drives equity of service to communities, whereas; the functional logic of the market puts differentiation and asymmetrical provision first, because service is a function of offer and demand. In Manuel Castells words, this equation is very real, particularly within large metropolitan areas where he sees increasingly a tension between “spaces of places” and “spaces of flows” enhancing “inter-metropolitan differentiation” rather than the regional specializations of the past (1989, pp. 1-32). According to Castells, the increasing influence of market forces onto the spatial organization of metropolitan regions also lead to a variable-geometry of power, where government like instrumentalities are evolving into institutional networks of power. The central issue for scholars such as Kenishi Ohmae or Manuel Castells is the possible primacy of economic spatial and functional reorganization (Castells, 1989, Ohmae, 1990, 1996), which due to free trade and the expanding industries of new information technologies, permeate and precede all other transformations, including local, regional and state institutions (Castells, 1996).

According to this literature, the GVRD may struggle with two polar opposite issues; one is the progressive transformation of the GVRD into a functional and market based instrumentality, the second one is a tug of war with communities pulling for increased democratic accountability. The first hypothesis would lead the GVRD primarily to follow market needs and fluctuations as exemplified by the provincial decision in 2007 to pull the transportation function Trans-link out of the GVRD; the GVRD would become an empty regional instrumentality with no functions. All previous functions being the responsibility of new created instrumentalities. Indeed today, Trans-link is a uni-function organization that may expand transportation services beyond the boundaries of the regional district. Second, the GVRD is continually challenged to enhance its democratic legitimacy; this is already the case today as well, for instance, when the GVRD is resolving to educational programs, conferences and workshops to make known its work, and in the many policy proposals it produces to expand its services to member municipalities (GVRD – conferences – workshops).

In other words, municipalities in the Vancouver region cooperate because the GVRD has been instituted by the province (the Leviathan as suggested by Ostrom) for specific
policy arenas, such as planning, but also because it has been an effective policy tool; it survives because of its own successes to bring efficiency to municipal region-wide policies. Henceforth, it is because it is driven by efficiency that the GVRD can develop policies that are effective because they provide public goods at the lowest possible price for its municipal members, rather than efficient policies that would provide services to the largest number at the lowest possible price, or equitable policies that would provide services to largest number at a set price. The following section further elaborates on this discussion.

**Why is there a metropolitan institution in the Vancouver region?**

1) *Because institutions result from decisions of the Leviathan*

Indeed, we have institutions, Christopher Hood tells us, because “Even in small, simple settlements, we come quickly to problems of a rather fundamental type which are faced by a community jointly; and given opportunism, can only be tackled by using public power to supplant freedom to contract or voluntary provision” (Hood, 1986). We also have institutions because of history and governmental traditions; traditions and histories of direct democracy in the United States for instance or of local administration in Canada, the United Kingdom, or France (Keating, 1992).

Since the 1950s, central and federal government across Western Europe, the United Kingdom, and Canada, have increasingly implemented structural reforms in as many attempts to catch up (1) with economic growth and thus suggesting amalgamation or the creation of multi-tiered systems of local government, (2) with increasingly complex metropolitan governance policy-making issues due to the on-going expansion of the largest urban regions and, particularly in North America, their high degree of fragmentation, and concurrent demands on service provision and planning.

Also, central governments justified the creation of tiered-government forms or of large functional authorities arguing that economies of scale and greatly improved policy-planning capacities would benefit the welfare state (Keating, 1995). But as discussed above, critics of consolidation have argued that larger units were not more democratic and accountable and that a focus on function to strengthen local governments, planning and redistribution, and economies of scale was a matter of debate (Keating, 1995, p. 121-122). But debating efficiency limits many other liberal democratic debates on community development that are concerned but equity and effectiveness or competitiveness.

In the Vancouver case, the 1967 decision to create the Greater Vancouver Regional District was an important step. The Province set up the framework for cooperation on water, sewage and drainage and later planning decisions for the region. However, at the time it was clear to Municipal Affairs Minister Dan Campbell that regional districts were not conceived as a fourth level of government, but as a *functional rather than political amalgamation*. Since then, however, the GVRD has seen its mandate and annual budget expand (GVRD – Budget Review, 2004). Its activism is also remarkable and has regularly justified its many successes and policy initiatives, but also regularly re-
emphasizes the fundamental role of financial prudence, political consultation, education, and public participation to decision making (GVRD – Sustainable Region Initiative, 2004). Clearly, the GVRD’s only claim to legitimacy is not that it is a creature of the provincial Leviathan. It is concerned about its local and regional democratic accountability and concurrent exercise of local/regional policy legitimacy. Hence, this ongoing search for functional / technical legitimacy seems to have turned into a search for democratic legitimacy, because institutions bound communities territorially, which is clearly the case for this regional district because its boundaries match those of member municipalities and do not expand along to follow services. The GVRD is faced with seeking greater legitimacy despite its normative institutional logic to serve efficiency and competition, and not effectiveness.

2) Because institutions bound communities territorially

Keating argues that technocratic views of the functions of local governments tend to neglect the debate on the issue of “community.” He also argues that there are many definitions of community, and cites Deutsch’s Gemeinschaft about solidarity and attachment to a place (1957); Tiebout’s is about protecting private space and, hence, inclusion and exclusion (1956); and Malibeau’s (which is upheld in this paper) holds that regions emerge out of a cultural and historical construct of social interactions and of politics that derives its legitimacy from the recognition that politics sets territorial boundaries (1989). Clearly, neither the public choice view of individual utility maximization, nor the functionalist technocratic perspective, addresses this liberal democratic equation. In other words, local instrumentalities not only set the space for individual choices about services and taxes as defended by the public choice approach, but also involve taking collective decisions, an important aspect of the role of politics in liberal democracies as argued by LeGales (2006) or Beauregard (2006). This tension between fundamentally opposed logics of bounded effectiveness and unbounded efficiency is what makes the GVRD unique in North America; the GVRD is an instrumentality that bounds efficiency.

In other words, there is a regional institution in Vancouver because the Provincial government stepped in, and because the GVRD expanded the reach, visibility, accountability and democratic accountability of its policy instruments which are therefore now expected and needed to provide efficient management across the region.

What is best, public territorially bounded instrumentalities or private unbounded institutions, or a “rich mixture” of both as is the case in the Vancouver Region?

The four scholarly discussions summed up by Savitch and Vogel on local/regional government, governance, rescaling or public choice stretch along a continuum, which on one end defend the logics of democracy, responsiveness, and accountability of traditional Weberian local government institutions, while on the other hand, uphold the fundamental requirements and functional logics of efficiency, of service delivery, and of market forces. Some instrumentalities give structural priority to democratic accountability, while others focus on the needs of market action focus on cost efficient services. A broadly
defined taxonomy of these instrumentalities suggests four basic forms of local
governments: single tier, lower tier, upper tier, and special purpose authority (Sancton,
1994).

There are three models of territorially bounded instrumentality; (1) a single-tier
municipality that is a multi-functional local government that manages a wide range of
functions. (2) An upper-tier municipality has a limited number of functions, but it is not a
special purpose body because it is multi-functional and overlaps a number of lower-tier
municipalities. (3) A lower tier municipality is a traditional multifunctional local
government that manages a range of functions but also shares other functions with peers
in an upper tier.

In other words, the functional capacity of an upper-tier municipality spans a much larger
territory that encompasses all of the constituent lower-tier municipalities. A classic
example exists when the planning function is allocated to an upper-tier local government;
other functions that have been allocated to upper-tier governments include regional
transportation, water, sewage, garbage disposal, and policing. When an upper-tier
government body exists, the lower-tier bodies deal with local policy responsibilities. The
assumption is that matching the allocation of functions to the appropriate level –
appropriate tier – of local government may result in greater efficiency and attend to the
regional dimension of service that is needed. It should be noted, however, that single-,
lower-, or upper-tier bodies often have multi-functional policy capacities, are often
elected, and never deliver services beyond the boundaries of their constituting local
municipalities. Tiered-level governments are rooted in the political space from which
they emerge. Each level is accountable to an electorate, either directly or indirectly. In
most cases, a lower-tier body is directly elected and an upper-tier body is indirectly
elected; hence, although their democratic accountability and responsiveness vary, they
are entrenched in local communities.

Another common institutional mechanism emerged at the turn of the 20th century: the
uni-functional special purpose body, however, is an example of private unbounded
instrumentalities; it is used to service the needs of a community and, sometimes,
disregards municipal boundaries. The functional accountability of such bodies supports a
non-territorial logic that emerges out of the level of satisfaction of their functional
community, which often shows support by paying a direct fee for service; this may be an
advantageous tax instrument for municipalities that do not want to raise property taxes.
The councils or boards of these public bodies often are appointed, and they are used
traditionally to administer parks, hydro-electric services, transportation services,
education, and policing.

The Greater Vancouver Regional District is one such institutional mechanism but it is
bounded by the boundaries of its member municipalities, and therefore bridges both the
functional and territorial logics of efficient and effective service delivery. It is, however,
at the same time polycentric; hence the ongoing tension between accountability and
democratic issues and efficient service delivery options. Melville McMillan (1997), when
comparing eight large metropolitan arrangements, suggests that above a certain
metropolitan size and number of functional responsibilities (i.e. budget size) accountable upper-tier institutions are needed, and might have to be governed by elected official rather than appointed officials (McMillan, 1997, p. 1-54). This is an issue that the Greater Vancouver Regional District cannot forget: its web site and increasingly active policies of consultations and education of the population of Vancouver are witness to this ongoing re-invention of legitimacy. Also, the provincial intervention regarding public transit issues in 1994 also resulted from a fundamental disagreement between the province and local municipalities; hence the tension between clear logics that may clash. In the GVRD case, the 1994 clash over transportation is a reminder that the logic of efficiency dominates. Indeed, on the one hand, the Greater Vancouver Regional District offers educational programs to 10,000 Vancouver residents annually; on the other, it lost its transportation function.

A variant to this model is the joint services board, also called a special purpose authority, public authority, or district in the United States, and is known in Canada as the regional district in British Columbia, Canada. This model’s flexibility allows municipalities to cater servicing arrangements to an optimum economy of scale. A board manages municipal agreements that focus on efficient service delivery. The flexibility of this institutional arrangement, however, loses its appeal once the number of functions to be managed by the board expands. Proponents of this model assert that the board remains accountable to the municipal level and it allows for strong accountability and responsive governance (Sancton, 1994). Others contend that complex inter-municipal agreements result in unclear bureaucratic and functional responsibility and lack of local control (Tindall, 2009, Smith and Stewart, 1998). Until the late 1990s, the municipality of Vancouver had, for instance, 17 such special purpose boards with responsibilities spanning education to civic theatres, to parks and recreation, to policing and public housing. Opponents of these forms of institutions argued that an excessive reliance on boards and commissions led to a great fragmentation of local government institutions and that the efficiency of service delivery did not compensate for the lack of democratic accountability, for instance, with regard to the real cost of services; Vancouver, re-centralized most of those governing bodies in the late 1990s.

To sum up, the central question that emerges is whether it is a logic of democracy and effectiveness, or efficiency and market needs that dominate such boards or districts. This is further explored in the conclusion.

Conclusion - Is cooperation in Vancouver about efficiency, or effectiveness and democracy?

Opposite normative views of efficiency, effectiveness, equity and competitiveness organize and instrumentalize city-regions: Efficient governance limits capacity for redistribution, while effective governance and metropolitan systems allow for equity, but within weaker or stronger systems of governance/redistribution. And, competitiveness mechanisms suggest that rescaling and re-territorialization transform the politics of places, making equitable politics more complex or even impossible.
As discussed above, the functional capacity of city-regions lies in between two general types of local institutions; the first type, the municipality, is a multi-functional or multi-purpose local government; the second type is a uni-functional local government or a special purpose authority. Municipalities are elected bodies that have a wide number of functions. Special purpose authorities are rarely elected and, most of the time, deal with one government function only. The inherent accountability of special purpose bodies relies on the service they deliver to a community that is often neither homogeneous nor identified with a single territory. On the contrary, most multi-functional local governments are, in essence, territorially identifiable and accountable, and responsive to a community of individuals and citizens. Another point of contrast concerns accountability: most special purpose bodies are not accountable to electors, but instead answer to appointed officials, and customers; such mechanisms do limits direct public involvement in their affairs, but do not prevent private-sector stakeholders from scrutinizing their activities.

Institutionalized political space, thus, follows a variable geometry of institutional arrangements, as argued by Elinor Ostrom, “institutional arrangements [that are] rich mixtures of public and private instrumentalities” (1990, p.182) that have evolved from traditional multi-functional governments – whether old or new metropolitan governments - to a multitude of uni-functional instrumentalities that may form regional governance arrangements, all of which can be more or less accountable or responsive to a local community, and where traditional metropolitan and new regionalism models remain closer to communities than the polycentric form of governance including those that result from rescaling and re-territorialisation that result from global market forces. As we have seen, the governance of the Vancouver region is a case where, efficiency drives weak regional multifunctional polycentric territorial instrumentalities, which seems to exemplify the ideal situation as suggested by Elinor Ostrom, when she recommended that rich mixtures of public and private instrumentalities were best.

The GVRD is an attempt to twin the logics of efficiency and effectiveness; in other words, it anchors policies with the logic of effectiveness enhancing local politics of a place, alongside with logics of efficiencies in service deliveries. Yet, the 2007 Provincial decision to pull the transportation function out of the GVRD is a reminder that the fundamental logic behind the GRVD is to deliver efficient services, not to cater to the logic of effectiveness or redistribution that would answer the needs of territorially bounded political communities.

Most communities, and at fortiori, urban regional communities such as Vancouver, struggle to establish the appropriate institutional framework to meet their diverse social and economic needs. In turn, these choices are indicators of broad normative views largely shared by those communities with their urban region, and these in turn frame and inform the policies and choices possible for metropolitan regions. In Vancouver, the original choice was to provide efficient service governance mechanisms, but during the 1980 and 1990s the democratic culture of the region helped expand and develop liberal, accountable and democratic regional institutional practices. These did not meet the approval of the provincial government, which instead decided to fragment the regional
governance arrangement. This, in turn, further weakened the GVRD capacity to serve its member municipalities. Clearly, Ostrom’s views of the role of the Leviathan are of great importance here. Higher levels of government can and should legislate for regional cooperation, but as she argues, they should not provide for the Leviathan as the only way, or for privatization as the only way, so as to allow for a set of rules to be monitored and accountable to a set of actors themselves, something the BC provincial government overlooked in 1994 in its attempt to swiftly legislate in favor of a new transportation system.

**Bibliography**


GVRD - Conferences and Workshops [http://www.gvrd.bc.ca/education/conferences-workshops.htm](http://www.gvrd.bc.ca/education/conferences-workshops.htm) or on the role of public meeting <http://www.gvrd.bc.ca/education/public-meetings.htm>


GVRD - The regional homeless plan
http://www.gvrd.bc.ca/homelessness/homelessnessplan.html;
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1 This essay is a draft and I am still working on it – please do not cite. Comments are welcome.
3 In the literature the words used to describe local government cooperation vary greatly: Institutional arrangement is also called structure or city-region by Sancton, metropolitan region by Saavitch and Vogel or Phares, and Ostrom uses the word instrumentality or instrumentalities to express the idea that Castells calls network governance; beyond the rhetoric the issue here is to acknowledge, describe and analyse forms of cooperation that take place at the local level often amongst municipalities but may also include other public and often private actors that have stakes in the region wide policies.
4 This chapter is part of a larger project on the City of Vancouver: Vancouver World City, which I started in 2008 with a large conference on the theme of world cities, and is now progressing slowly toward a single authored monograph on Vancouver and the Metro-Vancouver city-region. A first paper was published in Journal of Urban Affairs in 2009, and a number of papers have been presented at the Canadian Political Science conference (2007, 2008, 2009 and 2010) and Xiamen University public policy conferences in 2008 and 2009.
The argument presented in this chapter result from primary and secondary data collection conducted since 2009. Also, over the last four years I have conducted 37 interviews across the city-region and in the provincial government. Interviewees are made up of local and provincial elected public officials and civil servants, activists and employees of the non-profit sector. Also, a number of interviewees are prominent members of the business community.
5 An illustration of the value gap between Europe and North America is the ill understood ways in which liberals are thought to be progressives in North America, whereas they are unambiguously on the right of the political spectrum in Europe.
Politics of efficiency or effectiveness, would suggest that efficiency is the delivery of services at the lower possible cost; whereas, effectiveness is the delivery of public delivery to the largest number of community members at a given level of expenditure. Effectiveness gives priority to redistribution while efficiency implements fiscally conservative views.

6 See a detailed historiography of Metro-Vancouver at [http://www.metrovancouver.org/ABOUT/Pages/history.aspx](http://www.metrovancouver.org/ABOUT/Pages/history.aspx)

7 Richard Musgrave was a Harvard University economist whose influence was notable in the 1950s and 60s.

8 “Rentiers” live from either financial or real estate revenues

9 Elinor Ostrom uses the word ‘instrumentalities’ to describe polycentric policy structures. Andrew Sancton uses the words city-regions and local governance to describe similar regional policy making mechanisms. In this text I rely on these wording indifferently

10 Reformers were business groups, which at the turn of the 20th century argued across North American that local government where corrupt and inefficient, and that business like organizations would be much more efficient and effective providers of services

11 Purposeful emphasis

12 ‘rich mixture’ is Elinor Ostrom’s expression (1990, p.182)

ANNEXE A

Historiography of
Metro-Vancouver or Greater Vancouver Regional District