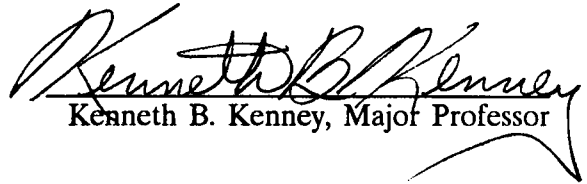
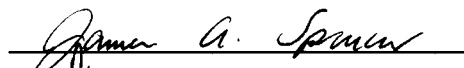


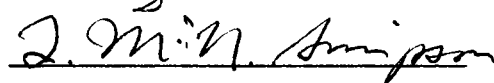
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**LINKING CITY PLANS AND BUDGETS: A CASE STUDY
OF ATLANTA'S EXPERIENCE**

A Thesis

Presented for the

Master of Science in Planning

Degree

The University of Tennessee, Knoxville

Barry L. Shumpert

December 1989

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To my parents, Betty Sue Shumpert and the late Clifford Lois Shumpert, for offering love and support throughout my life, for teaching me the important Truths of life without my ever realizing that I was learning, for constantly inspiring me by their steady devotion to each other and our family, and for motivating me to try harder than I otherwise would have done.

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ABSTRACT

Recent theories of city planning and budgeting seem to indicate that the two fields are converging as budgeting theorists call for a planning approach to budgeting and planning theorists call for planning that is more relevant to immediate decisions, particularly budgeting decisions. These theoretical trends have generated fundamental debates about the nature of municipal planning and budgeting. This case study attempts to illuminate these debates by examining an attempt to link the planning and budgeting functions of the city of Atlanta between 1974 and 1982.

Following a review of recent theories of planning and budgeting, a detailed history of Atlanta's attempt to link the two functions was compiled through a review of newspaper articles and interviews with 25 people who played significant roles in the city's planning and budgeting operations. Finally, significant questions raised by the evolving theories were evaluated in light of Atlanta's experience.

The study found that Atlanta's attempt to link planning and budgeting took place at a time of unusual social and political instability in the city, and, thus, the ability to draw general conclusions from Atlanta's experience was limited. However, the case study did find that both planning and budgeting are products of their political environment and that no approach to their performance can succeed without the support of all the significant political decision makers. It was found that the planning-budgeting linkage seemed to improve the decision process for capital budgeting, but generally confused and weakened the process for operating budgeting. Furthermore, the concentration on immediate decisions seemed to divert the attention of the city's

planners from the comprehensive, future orientation that is the traditional hallmark of their discipline. No conclusion could be reached regarding whether these impacts were inherent in the integration of planning and budgeting or were caused by the unusual environment in which Atlanta tried to link the two functions.

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INTRODUCTION

Recent trends in concepts of city planning and budgeting reflect a convergence of the two fields—at least in theory. That is not to say that the two disciplines are being merged into one, but that their interdependence has been recognized and has formed the basis for proposed new approaches to the practice of both disciplines. A strong relationship between municipal planning and budgeting has long been evident in capital expenditures. Many cities have established systematic decision processes for capital budgeting which relate forecasts of needs from the planners with estimates of financial capability provided by budgeters. This established relationship reflects a recognition of planning's relevance to the physical development of the city. The new theories in planning and budgeting, however, propose changes in the relationship between planning and operating budgeting regarding decisions affecting, not only physical development, but social and economic concerns as well.

Budgeting theorists, despite the failure of the planning-programming-budgeting systems initiated in the 1960s, have continued to insist that budgeting must be approached from a planning perspective in which funding decisions are components of conscious policies directed at achieving explicit goals. Since budgeting is the process by which a government allocates its scarce resources among competing interests, they argue, it necessarily establishes the government's policies. They maintain that these policies are of fundamental importance and should be decided overtly and rationally, not as incidental by-products of narrow, incremental funding decisions. The reformed budgeting process would follow a procedure much like that traditionally associated with planning:

(1) community goals would be stated; (2) alternative policies for achieving the goals would be evaluated; and (3) a budget reflecting the optimum set of policies would be adopted. Implicit in this approach are the qualities of comprehensiveness (consideration of all city activities) and a future orientation (examination of the interaction of budget policies over time).

The planning called for in this planning approach to budgeting is essentially a form of policy analysis, and the budgeting theorists give no indication that they expect it to be performed by the central city planning office. Yet, planning theorists, over much the same period, have been calling for basic reforms in the approach to and products of city planning that would enable it to provide the forum for such analysis. These theorists reject the traditional comprehensive plan which presents an idealized, long-term image of a desired future physical form of the city as both irrelevant and limited. This type of planning should be replaced, they argue, by planning geared to providing decision makers with relevant guidance regarding the full range of decisions facing the city government. The crux of the plan should not be a far-off physical image of the city but a set of planning objectives which advise decision makers how to advance the city from its current situation toward its goals. Budgeting decisions are perhaps the most important which these planning theorists seek to influence. Increasingly, the purpose of planning has come to be seen among planning theorists as the guidance of the allocation of government resources, that is, the guidance of budgeting.

The convergence of planning and budgeting has largely been confined to theoretical writings. However, a practical application of the theories was attempted in Atlanta, Georgia, between 1974 and 1982. A new charter for Atlanta and the

subsequent reorganization of the administrative branch of its government produced a process that, on paper at least, went a long way toward integrating the city's planning and budgeting functions. In this process the city plan, which was prepared annually and adopted by the city council, formed the basis for the formulation of budget policies. These policies were translated into funding proposals in the mayor's recommended budget. This process incorporated many of the reforms called for by planning and budgeting theorists. The plan attempted to address all aspects of city activities, spell out the relationships between specific actions and overall goals, and set forth policies to be adopted by the city council. The executive budget, in turn, was developed on the basis of programs that purported to accomplish the policies established by the plan.

The examination of one instance of implementation cannot, of course, either validate or invalidate recent theories calling for a planning approach to budgeting or those calling for city planning that is more relevant to budgeting and other decisions. Atlanta's experience, in particular, occurred at a time of unusual social and political volatility in the city. However, the city's experience does shed light on some of the assumptions and recommendations of the theorists as well as the completeness of the theories themselves.

This case study was conducted in three stages: (1) reviewing literature on the theories of planning and budgeting, (2) compiling the history of Atlanta's attempt to link its planning and budgeting functions, and (3) evaluating key aspects of the theories in light of Atlanta's experience. The second stage was particularly important since it introduced new information to be used in evaluating existing theory. The methodology used to compile the history of Atlanta's experience consisted of three steps: (1) review

of available literature pertinent to the city's experience, (2) review of official documents relating to the city's planning and budgeting functions, and (3) interviews with principal participants in the city's planning and budgeting operations.

First, all known and readily available literature describing the city's experience was reviewed. While a few descriptions written by participants in the city's planning and budgeting process or by outside observers were available, the step relied overwhelmingly on newspaper articles appearing in *The Atlanta Constitution*. (This newspaper was used instead of the city's other daily, *The Atlanta Journal*, because of the availability of yearly indices of articles.) This literature review enabled the author to form a general chronology of the development of the planning-budgeting linkage practiced in Atlanta, to formulate impressions of the relationships between the linkage and its political and social environments, and to identify official documents affecting the city's practice of planning and budgeting as well as key figures who, because of the important roles they played in the city's planning and budgeting operations, should be interviewed.

Next, official documents pertinent to Atlanta's planning and budgeting functions were reviewed. In addition to the actual plans and budgets produced by the city, these documents included those which defined the requirements for planning and budgeting and assigned responsibilities for their performance as well as others which affected the scope of the city government's planning and budgeting concerns.

Finally, interviews were conducted with people who were expected to be able to provide significant information regarding Atlanta's attempt to link planning and budgeting. Interviews were conducted in the offices or homes of the subjects and lasted from approximately 30 minutes to more than two hours. The initial set of people to be

interviewed included those who had been identified in the review of literature describing the city's experience. This set was supplemented by asking each person interviewed to suggest others who could contribute to the understanding of the city's experience in linking planning and budgeting. While no set rule was used to select among the suggested additional interviews, people who were mentioned by several interviewees or who seemed likely to provide unique and important information were added to the set. In total, 25 persons were interviewed for the study.

The heavy reliance on interviews strongly affects the nature of this case study. Most obviously, it ensures that virtually all of the information gathered is biased according to the interviewee's role in the planning and budgeting operations and his/her relationships with other participants. The author hopes that the gathering of viewpoints from as many as possible of the factions involved helps to compensate for this bias.

In addition, the fact that the interviewees were asked to provide information about events that took place four to twelve years before the interviews were conducted influences the study. On the one hand, the elapsed time between the events and the interviews ensures that the memory of specific details will have become clouded and colored by subsequent events. On the other hand, it allows the interviewees to look at the subject of the case study with the perspective that only comes after an activity has been completed. For the most part, it is believed that the interviewees were better able to focus on critical aspects of the subject and to provide more judicious insight than if the interviews had been conducted at the time they were participating in the process.

The organization of this thesis directly reflects the methodology used in its preparation. Chapter I presents an overview of municipal budgeting and concludes with

a discussion of the relationships between recent developments in the theories of planning and budgeting. Chapter II describes, in some detail, the history of Atlanta's attempt to link planning and budgeting. Chapter III evaluates some aspects of recent planning and budgeting theories in light of Atlanta's experience, draws limited conclusions regarding the theories, and suggests areas where additional research is needed to reach more definitive conclusions.

CHAPTER I

LOCAL BUDGETING AND ITS RELATION TO PLANNING

This chapter reviews public budgeting as practiced at the local government level in order to examine the processes involved and to explore the relationship between budgeting and planning. This relationship has changed considerably since the introduction of modern municipal planning and budgeting at the beginning of this century.

In exploring the budgeting-planning relationship, this chapter stresses some aspects of budgeting at the expense of others. For example, the theoretical and practical issues involved in budgeting techniques are addressed in some detail, while little attention is given to the detailed content of budgets. Similarly, the chapter concentrates on the preparation and adoption phases of the budget cycle, while treating the execution and auditing phases only superficially. It is in the preparation and adoption phases that planning can influence budgeting decisions. However, the impacts of these decisions on the execution of the budget cannot be totally ignored. Finally, the chapter downplays the processes used by cities in deciding how to generate and collect revenues in the interest of focusing on the processes used in deciding how to allocate those revenues among a variety of programs. It can by no means be argued that revenue decisions are devoid of policy implications. However, it is primarily in expenditure decisions that a government establishes its overall policies and priorities. Planning's relationship to

budgeting lies in the area of identifying these policies and priorities and devising ways to implement them through expenditure decisions.

DEFINITION OF BUDGETING

Like all other organizations, governments face the fundamental economic problem of allocating scarce resources among competing demands for goods and services. In the private sector, over the long-term the market mechanism determines what goods and services will be provided, for whom, and at what cost. Governments, on the other hand, have no such convenient instrument for making allocation decisions. Instead, their decisions must be made through the political and administrative procedures of the budgeting process (Burkhead 1956). In its most basic sense, then, public budgeting may be defined as the process through which a government allocates the resources it is willing and able to make available among the goals it wishes to accomplish (Burkhead and Bringewatt 1977).

Other political processes also lead to decisions regarding the activities that a government will perform; but it is only in the budgeting process that each activity must compete with all others for the funds (resources) necessary for its implementation. Thus, the budgeting process may be regarded as the arena in which a government establishes its overall policy and priorities (Friedman 1975).

FUNDAMENTALS OF BUDGETING

The budget cycle

Budgets are prepared and executed annually by virtually all governmental units at the national, state, and local levels. The annual budget cycle comprises four basic phases (Eckstein 1964): (1) preparation of the budget under the direction of the chief executive; (2) review and adoption of the budget by the legislature; (3) execution of the budget by the administration; and (4) auditing to determine whether the implementation has conformed to the adopted budget guidelines.

Since a budget is a result of political choices, the processes by which it is prepared and implemented are not so tidy as might be implied by the four discrete phases listed above. Governmental units have developed widely differing methods of accomplishing each of the phases.

The preparation of a municipal budget (Lee and Johnson 1983) typically begins when the mayor issues budgeting guidelines to the administrative agencies. Based on these guidelines, the agencies prepare funding requests for the activities they hope to perform in the upcoming year and send these requests to the central budget office. This office reviews the agency requests to ensure that they conform to the mayor's guidelines and prepares a forecast of the revenues expected to be available for the government's activities during the budget year. The mayor then reviews the agency requests in light of the anticipated revenues and selects the activities for which he will request funding. The central budget office then integrates these selected activities into a single budget

document which constitutes the mayor's proposal for operating the government in the upcoming year.

Legislative review (Burkhead and Bringewatt 1977) normally begins with an informal briefing of the city council by the mayor or his chief budget officer on the policies that are reflected in the proposed budget. This briefing is followed by the mayor's formal presentation of the proposed budget document. The city council then conducts public hearings on the budget and debates its funding proposals. Legislative review ends when the council formally adopts a final budget.

Execution of the budget begins on the first day of the fiscal year. In this phase of the cycle, the government's administrative agencies spend the funds allotted to them in accordance with the procedures and purposes set forth in the budget document (Burkhead and Bringewatt 1977). Successful execution depends largely on the quality of the budget document produced by the preparation and adoption phases. This document must identify clearly the policy intentions of the mayor and council, prescribe the procedures to be followed in spending funds, and establish the degree of flexibility that administrators may exercise in carrying out the funded programs (Burkhead 1956).

Auditing (Lynch 1979) is performed after the fiscal year has ended, usually by an agency that is independent of the government's operating agencies. At a minimum, the audit examines the legality of all expenditures; that is, whether they were approved by the persons authorized to do so, conformed to the accounting procedures required, and were intended to accomplish the purposes set forth by the budget. In more progressive systems the audit also evaluates the efficiency with which the administrative agencies perform their activities and the effectiveness of these activities in achieving the policy

goals of the budget. These evaluations can then be considered by decision makers in preparing and adopting future budgets.

The functions of budgeting

The budgeting process must perform three essential functions for government (Schick 1966): establish control over the use of public funds; guide the management of administrative activities; and accomplish the planning required to determine and implement public policy. All budgeting systems perform these three functions, but different systems may place more emphasis on one function than on the others.

The function of control addresses the proper use of funds by administrative agencies (Howard 1973). It ensures that agencies do not overspend their allotments, that their expenditures conform to the purposes of budgetary appropriations, and that they follow prescribed accounting procedures in reporting their expenditures. Budgeting systems which emphasize control focus on the individual items of input to governmental activities rather than on the composite results of the activities.

The management function is concerned with the organizational and operational efficiency of administrative agencies (Schick 1966). The primary focus is on instituting the organizational structures, selecting the specific projects, and developing the work methods that most efficiently accomplish the objectives set forth in the budget. Budgeting systems which emphasize the management function concentrate on the activities the government performs rather than on the specific items required to perform those activities or their policy implications.

The planning function is concerned with accomplishing the overall goals and policies of the government. This function seeks to identify long-range goals and objectives and to establish criteria for evaluating alternative expenditure proposals for accomplishing them (Schick 1966). Budget systems which emphasize the planning function concentrate on the basic economic questions: what services will the government provide, for whom, and at what cost?

Operating and capital budgeting

The preparation of a municipal budget involves two parallel processes: (1) operating budgeting, which provides for funding the normal, day-to-day activities of government, and (2) capital budgeting, which provides funds for expensive, long-lasting physical facilities. These two processes arrive at expenditure decisions in different ways and traditionally have different relationships with the city's planning effort.

CAPITAL BUDGETING

In the late 1920s many city governments realized that the one-year time frame normally considered in budgeting was not adequate for decisions involving costly capital items which might take several years to construct and which would provide public services for many years (So 1979). In addition, the fact that the cities often borrowed money to finance these capital items mandated that the future budgeting implications of

these expenditures be studied. Capital programming and capital budgeting were developed to guide decisions regarding these long-term items.

While the budget cycle and phases for capital budgeting and operating budgeting are quite similar, the two types of budgeting differ in three ways (Lynch 1979):

1. Capital budgeting deals with the purchase of costly items that will provide services for many years, while operating budgeting is concerned with objects which, considered individually, are comparatively inexpensive and short-lived.
2. The items purchased through capital budgeting are usually financed through saving, borrowing, grants, or the sale of bonds. Items included in the operating budget are ordinarily purchased with the government's general revenues.
3. Capital expenditure decisions are made through a process that is separate from and usually more systematic and future-oriented than that used in operating budgeting.

The decision process

The decision process in capital budgeting follows a progression from planning to programming to budgeting. Ideally, the planning function in the process is served by the city's long-range general plan. Elements of the plan that are especially pertinent to the capital budgeting process include forecasts of population, designations of areas where changes in physical development will occur, and estimates of the public facilities and

services that will be needed. (Burkhead 1956) In most cities the general plan does not usually constitute official policy and is prepared or updated at irregular intervals (normally about every five years).

Based on the guidance of the plan, a capital improvements program (CIP) is prepared each year (Burkhead 1956). The CIP designates the major public facilities that will be needed in each of the next five or six years. Included for each facility is a brief explanation of need, an estimate of cost, and a proposed source of funding. In some cities the CIP is prepared by the planning staff, in others by the budgeting staff. The choice of which agency prepares the program can introduce subtle but important differences—planners are likely to propose more facilities in order to meet public objectives, while budgeters are likely to recommend fewer in order to ensure the city's financial well-being. Cities also vary on whether or not they require that the CIP be adopted by the city council. The adoption of the CIP has limited significance since no capital item can be purchased until the council specifically appropriates funds for it. Adoption does, however, ensure that the council has reviewed the total program before deciding on individual appropriations (Burkhead and Bringewatt 1977).

The third step in the capital budgeting process is the preparation of a financial analysis by the city's finance or budget office (Burkhead 1956). The purpose of this analysis is to examine the city's ability to pay for the proposed facilities and to evaluate their impacts on existing, anticipated, and potential revenues and expenditures. The results of this analysis are applied to the CIP to produce a final priority listing of proposed capital facilities.

Finally, the first-year element of the CIP is included in the city's annual budget before the beginning of the budget adoption phase (Burkhead 1956). This capital budget is normally presented as a separate section of the overall budget. It differs in format from the remainder of the budget in that it usually includes a statement justifying each proposed expenditure and indicating the performance expected from the capital item.

Effects of capital budgeting's linkage to the plan

Capital programming-budgeting was the first system devised to link planning and budgeting, and it is the only such system still widely practiced. This linkage produces several benefits (So 1979):

1. provides a means for implementing public facility plans;
2. allows the correlation of proposed improvements with policies;
3. facilitates the scheduling of long-term projects;
4. provides the opportunity to reduce costs by using advanced acquisition of property;
5. encourages long-range financial planning;
6. provides a means for stabilizing tax rates;
7. facilitates coordination among projects of different types; and
8. provides an opportunity for increased public involvement in capital facility decision making.

OPERATING BUDGETING

In operating budgeting funds are allocated for the performance of governmental activities over the upcoming fiscal year. In contrast to the capital budget, which deals with large investments in long-lasting facilities, the operating budget provides funds for the miscellaneous and generally less costly items that the departments consume in performing their functions as well as for the wages and salaries of personnel. (The capital and operating budgets are related, however, since a decision to invest in a capital facility may effectively commit the government to future increased operating expenses necessary to staff, operate, and maintain the facility.) Since the operating budget generally does not include items which imply payments or service over a long period of time, no relationship between it and the city plan has been traditionally established.

Factors affecting operating budgeting decisions

Operating budgeting decisions are influenced primarily by the interaction of the participants in the budgeting process and by the information on which the decisions are based. While these factors vary widely among city governments, a number of generalizations can be made.

Participants in the budgeting process. There are three primary participants in the municipal operating budgeting process: the executive, including the mayor and the central budget office; the city council; and the administrative agencies (Friedman 1975).

Typically, the administrative agencies adopt the role of "spenders"; the executive, the role of "economizer"; and the council, the role of "overseer."

The mayor is the central figure in municipal budget preparation (Heikoff 1965). He is responsible for establishing the overall policy which the budget will reflect, for ensuring that the programs and funding requests of the administrative agencies conform to that policy, and for presenting and defending the budget proposal before the city council. There are two reasons for the mayor's overriding influence in budget preparation. First, he is usually the only elected official with responsibility for all public aspects of the entire city. Second, as executive of the administrative agencies, he is in charge of implementing the budget. He could hardly be held responsible for successful implementation of the budget if he were not also empowered to prepare it.

The central budget office, which may technically be one of the administrative agencies, is considered an extension of the chief executive in budgeting matters (Burkhead and Bringewatt 1977). This office is responsible for acting as the mayor's liaison with the line agencies and for performing the analyses required in preparing the budget. The central budget office analyzes the efficiency and effectiveness of proposed administrative operations and programs, evaluates personnel policies, and analyzes the revenues that can be made available to meet the proposed expenditures.

In the budget preparation phase, the administrative agencies are responsible for preparing expenditure and activity proposals related to their agency missions (Howard 1973). The input of these agencies is crucial because of their technical expertise in their areas of concern and their ability to provide the detailed data necessary for evaluating proposed programs and projects.

The city council is responsible for reviewing and adopting the budget. In some cities the council may modify the executive budget before adopting it. In other cities the council must state its objections and return the budget to the mayor for revision. The council's review involves two considerations: (1) the total amount of the expenditure proposal and the taxation policies it entails, and (2) the suitability of the individual programs proposed and the comparative allocation of funds among them (Burkhead 1956). In the second consideration, the council may be said to be simulating the function which consumers serve in the private sector market by estimating the relative demand for the government's goods and services (Lewis 1952).

The budgetary process is perhaps the most highly charged of political activities. It is in this process that all governmental programs and all governmental agencies must compete for the resources necessary for their survival and prosperity. It is hardly surprising, then, that those participating in budgeting engage in role-playing and develop strategies to improve their chances of obtaining favorable results.

The roles and strategies adopted by the elected officials (the mayor and the individual council members) depend largely on their perceptions of the concerns of their constituents. The fundamental goal of these officials is to avoid taking actions that might jeopardize their popular support. Within the context of budgeting, this goal produces the desire "to extract resources from the general taxpayer with minimum offense and to distribute the proceeds among innumerable claimants in such a way as to maximize support at the polls" (Schlesinger 1972). This approach can result in token commitments to a large number of programs and inadequate consideration of the total future costs implicit in those commitments (Schlesinger 1972).

The elected decision makers are faced with another problem as well: it may not be humanly possible to adequately weigh the complex value issues and technical factors involved in the proper allocation of resources among the diversity of governmental activities (Wildavsky 1964). Although this problem is not as serious at the local level as at higher levels of government, municipal officials frequently adopt strategies to reduce the analytical burden of decision making. One strategy is to evaluate only the readily understandable aspects of budget proposals and to assume that if these aspects are handled acceptably, then the more complex ones are as well. The most common simplification strategy, however, is to employ the concept of incremental budgeting. Under this concept, most decisions are reduced to the consideration of small changes in the funding levels approved in the previous year.

Possibly the most creative strategies involved in budgeting are those adopted by the administrative agencies. In his review of the political aspects of budgeting at the federal level, Aaron Wildavsky (1964) identified two basic roles that agency personnel often adopt. The agency budget officer may play the part of an "adjustor" who sees the political environment as unchangeable and adjusts his actions to succeed within that environment. Alternatively, he may adopt the role of an "innovator" who seeks to identify those aspects of the political environment that can be changed and to alter them to better accomplish his budgetary goals.

Innovators often use the strategy of cultivating active clientele groups who will lobby on their behalf (Wildavsky 1964). These groups may consist of citizens who benefit from the agency's services or of government officials and administrators who depend on the agency for information and support services. The adjustor, on the other

hand, is more likely to rely on the competence of himself and his agency to develop the confidence and influence of key decision makers.

Budgeting information. Information used in the budget preparation phase is of two basic types. The first type is policy information which flows from the mayor downward to the administrative agencies to guide their preparation of budget requests. In some cases, this policy information may consist of a full explanation of the mayor's priorities for programs to meet the needs of the city. In other cases, it may consist of a simple statement, such as an instruction to keep funding requests to a minimum due to an expectation of low revenues.

The second type of information includes funding requests and accompanying technical justifications. This information flows upward from the agencies to the mayor, and after being reviewed and modified, from the mayor to the city council.

The way in which budgetary information is presented to the decision makers is extremely important. Jesse Burkhead (1956), a widely recognized authority on public budgeting, emphasizes this importance:

Classification [of budgeting information] is the structural key to conscious and rational government budgeting. The manner in which items of revenue and expenditure are grouped will be determined by, and also will determine, the character of the decisions that can be made in the budgetary process. These decisions result from a constant interplay of questions and answers among levels in the hierarchy of government. The purpose of budget classification is to help focus the questions and to clarify and detail the answers. The classification system must not bracket the important questions; it must center on them.

Most reforms in budgeting have focused on changing the form in which budgetary information is presented to decision makers. Implicit in these reforms is the

assumption that changes in the format of budget information will produce beneficial changes in the decisions that are made (Howard 1973).

These reforms have produced three common methods of organizing budgetary information: (1) according to the objects that the government purchases (line-item budgets); (2) according to the activities that the government performs (performance budgets); and (3) according to the broad, programmatic goals the government wishes to accomplish (program budgets). Cities may organize the same budgetary information in more than one format in order to enhance its usefulness for different purposes in different phases of the budget cycle. This report is primarily concerned with the format used to present the information to decision makers.

A review of operating budgeting formats and techniques

Although budget reforms have focused mainly on the systems used to classify information, the changes in formats have led to changes in the processes and criteria used in making budgeting decisions. The reforms have resulted from changes in the public's perception of the proper role of government in society and from pressure to apply advances in other disciplines to the budgetary decision process. The overall trends produced by these reforms have been toward: (1) a view of government as the primary agent of social change (and hence a view of public spending as a legitimate tool to accomplish desired changes) and (2) an increasingly systematic budget decision process incorporating new analytical techniques and a longer-range, more comprehensive approach.

Line-item budgeting. Public budgeting in the United States began about 1900 at the municipal level (Burkhead 1956). This radical new idea was put forth as a remedy for the corruption and incompetence prevalent in city governments and as a method of curtailing continuing increases in municipal taxes. Proponents of budgeting stressed the need for control—control over the overall level of government spending as well as control over the propriety of each expenditure of public money. Thus, early budgets took the form of "line-item" budgets which allowed the city council to specify in minute detail the total amount of money each agency could spend and the objects and services they could purchase. By the mid-1920s, most cities had adopted budgeting systems using the line-item format and emphasizing control.

Line-item budgets classify information according to the objects and services which the government purchases (e.g., typewriters, asphalt, labor) with little regard to the organizational structure of the government or the policies it wishes to accomplish. This type of format is made possible by the fact that the various departments within a government generally rely on the same types of objects and services to accomplish their functions (Burkhead 1956).

Effects on decision making. The line-item budget emphasizes the control of government expenditures, and it is primarily the city council that exercises this control. Even though the mayor assembles the budget using funding requests from the operating agencies, the council is able to review the minutiae of the proposed budget and to insist on any changes that it feels are appropriate (Burkhead 1956). In some cities the council may make these changes itself; in others it must return the budget to the mayor for revision. Some cities have attempted to increase the mayor's influence by allowing him

to veto individual items in the budget adopted by the council (Burkhead 1956).

However, this is a negative influence; it does not enable the mayor to establish and implement policy.

The line-item budget's overwhelming detail and its focus on the inputs to governmental activities effectively prohibits decision makers from giving adequate consideration to the policy implications of the budget (Howard 1973). Indeed, the decision makers are often forced to adopt simplifying approaches, such as incrementalism, in order to allow them to reach any decision at all. Obviously, the use of such approaches precludes any systematic consideration of overall policies and priorities (Howard 1973).

Line-item budgeting (particularly when combined with an incremental decision technique) can increase the influence of the administrative agencies at the expense of the mayor (Howard 1973). Only the agencies can provide the detailed data and the technical expertise required to evaluate proposed changes in funding levels. The agencies, of course, are naturally inclined to present information that supports their funding requests, and they can thus partially overcome the executive's control to promote their own interests. This selective application of expertise and presentation of data can easily be hidden in the mass of detail that is characteristic of line-item budgets.

Implications for budget execution. If there is little to be said in favor of the line-item format in the budget preparation and adoption phases, it is because the format was developed specifically to control the execution of government activities. The two principal advantages of this type of budget are that it clearly establishes accountability

for the expenditure of public funds and that it can be useful for managing personnel (Burkhead 1956).

This form of budget specifies the amount of money each agency can spend, the items it can purchase, the persons allowed to approve the purchases, and the procedures that must be followed in spending funds. Any misuse of public money can be traced and the persons responsible can be identified. The line item budget's usefulness for personnel management is due to the inclusion of labor as one of the expenditure items in the budget. Budgeting decisions indicate any changes that will be made in the status of current personnel as well as any new positions that will be created. To some extent, this function has been rendered obsolete by the institution of merit personnel systems and salary classification boards in most cities (Burkhead 1956).

The principal drawback in the execution of a line-item budget is the lack of flexibility afforded to agency administrators (Burkhead 1956). By establishing such tight control over agency spending, this form of budget permits little leeway for tailoring programs to meet specific objectives or for engaging in activities to respond to unanticipated needs.

Performance budgeting. The economic disaster of the Great Depression and the subsequent expansion of public spending in the New Deal era produced a change in the public's attitude toward the role of government. More people began to see that government was not merely a "necessary evil" and that public agencies provided important and essential services. As government programs rapidly expanded, the emphasis of budgeting shifted from the strict control of spending to the efficient

management of resources to obtain the maximum benefits from public expenditures (Schick 1966). While not abandoning basic accounting control functions, the reforms of this period emphasized the use of the budgeting process as a means of measuring and improving the efficiency of administrative units (Howard 1973).

The emphasis on efficient management led to the development of performance budgets in which expenditures are classified according to the activities that the government performs rather than the objects it buys. This activity classification usually corresponds to the organizational structure of the government (Schick 1966).

Along with a change in format, performance budgeting introduced the use of quantitative techniques to guide decision making and management (Lee and Johnson 1983). Cities began to develop unit cost and work load data for each governmental activity so that decision makers could estimate the level of service that a given level of appropriation would provide and so that agency administrators could manage the resources available to them for the most efficient performance of their activities.

Effects on decision making. By organizing information on the basis of activities, performance budgeting can improve decision making by diverting attention from detailed lists of objects of expenditure. Decision makers, in allocating funds among the diverse governmental activities, can hardly avoid judging the relative worth of those activities (Burkhead 1956). However, the analyses which influence such judgments are performed by the individual agencies to indicate the efficiency of their operations. This type of data is not pertinent to a systematic review of the government's overall policy and priorities (Schick 1966).

Perhaps the most significant effect of performance budgeting on decision making involves the city council's review of the budget. Traditionally, the council has been able to review and control virtually every expenditure the government could make. Under performance budgeting, the council must review proposed expenditure data at a more aggregated level and must delegate the decision authority for most specific expenditures to the agency administrators. In many cases council members have been reluctant to relinquish this control (Burkhead 1956).

On the surface, performance budgeting would seem to favor a rational or systematic decision making process over an incremental one. In practice, however, this has not always been the case (Schick 1966). Many city governments using this type of budget separate the costs of maintaining existing activities from those of expanding activities or initiating new ones. In these cases, political bargaining is again focused on incremental changes, and the comparative evaluation of all governmental activities is avoided.

Implications for budget execution. The principal purpose of performance budgeting is to improve the efficiency of budget execution. It does this in two ways: (1) by presenting each administrator with a single listing of all the resources available to perform the activities for which he is responsible (Schick 1966), and (2) by providing the administrator with the flexibility and the analytical tools needed to expend those resources most efficiently (Burkhead 1956).

On the other hand, performance budgeting requires administrators to gather and evaluate a considerable amount of data regarding the end products of their activities and the resources required to produce them. The expense and difficulty of managing this

data has been one of the main causes for the decline of performance budgeting (Howard 1973).

Program budgeting. By the early 1960s the accepted role of government was again expanding to encompass more social and economic responsibilities. Practitioners in fields such as planning, economics, and systems analysis were anxious to apply recent theoretical and technical advances in their disciplines to help governments meet these new responsibilities (Lee and Johnson 1983). Reformers of this period noted that performing activities efficiently was of less fundamental concern to governments than deciding what activities should be performed. The result of this reform movement was the development of program budgeting (also known as planning-programming-budgeting).

Program budgeting involves changes in both the information format and the decision process. Budgetary information is classified according to broad program categories, irrespective of administrative organization. It is imperative that all governmental activities be included in these categories (Burkhead and Bringewatt 1977).

The decision process involves: (1) defining long-range goals and operational objectives for each program category; (2) using quantitative analytical techniques to systematically evaluate alternative policies for achieving these objectives; (3) selecting the set of alternatives which provides the maximum cumulative goal achievement; and (4) translating the selected long-range alternatives into one-year budget decisions (Howard 1973).

Planners will undoubtedly note the striking resemblance between this process and the "rational planning method" (Chapin and Kaiser 1979). Indeed, program budgeting

strongly emphasizes the planning function of budgeting. Allen Schick (1966) states that program budgeting "is predicated on the primacy of the planning function; yet it strives for a multi-purpose budget system that gives adequate and necessary attention to the control and management areas." Program budgeting accommodates the control and management functions by using crosswalk grids to transfer information from the program format to formats useful for the other functions (Schick 1966).

The evaluation of alternatives is essential to the concept of program budgeting. Techniques developed in the fields of systems analysis and economics are used in performing these evaluations. Systems analysis provides the basic framework for evaluation and disciplines the process. As applied to budgeting (Howard 1973), systems analysis comprises nine steps:

1. define problems clearly;
2. identify operational public service objectives;
3. establish quantitative and qualitative criteria for measuring effectiveness;
4. develop alternatives (including alternative programs, combinations of programs, and activity levels for achieving the objectives);
5. estimate the resources required over the life of each alternative;
6. estimate the social and economic impacts of each alternative using the criteria previously developed;
7. identify trade-offs among the alternatives;
8. specify the uncertainties involved and the assumptions implicit in the analysis and evaluate their effects on the results; and
9. document the analysis for review by decision makers.

Economics provides two quantitative techniques and a theoretical concept useful in the evaluation of alternatives (Hirsch, Sonenblum, and Teeples 1974). Cost-benefit analysis aids in comparing the efficiency with which alternatives convert resources into desired actions. However, it requires that all costs and all benefits be stated in terms of a common unit (usually dollars). Cost effectiveness analysis is useful in identifying the alternative which uses the least amount of resources to accomplish a given objective. It has the benefit of not requiring that all factors be stated in quantitative terms.

The economic concept of marginal analysis is also applicable to program budgeting. Since this form of budgeting presents alternative methods of achieving each program objective, analysts can consider adjustments in these methods in an attempt to balance the marginal benefits and marginal costs of alternatives both within and among the program categories (Schick 1966). It should be noted that this marginal analysis is a highly ambitious undertaking when dealing with the full range of a government's programs. Furthermore, when applied to alternatives aimed at achieving different objectives, it necessarily relies on subjective judgment.

Wilbur A. Steeger (1969) notes that local level applications of program budgeting differ from applications at the state and national levels in three ways:

1. The analysis of alternatives must give more explicit consideration to the distribution of economic and social costs among the various segments of the community.

2. The entire analytical process must recognize spillovers and externalities involving other local jurisdictions as well as other levels of government.
3. The alternatives are more likely to be oriented toward specific locations and specific problems than in higher levels of government.

Effects on decision making. While there is a consensus that program budgeting requires significant changes in the decision making process, there is a divergence of opinion on the degree and importance of these changes. James R. Schlesinger (1972) argues that its rational approach "implies, in principle, the partial renunciation of the most effective tools of the politician." William Gorham (1969) states, on the other hand, that program budgeting "will not displace traditional processes, but help them function more effectively." In reality, this type of budgeting must introduce great changes in the decision process; its insistence on a rational, holistic, and future-oriented analysis is in no way compatible with incrementalism.

The most pronounced change is the concentration of decision making power in the mayor and the central budget office. Jesse Burkhead and Paul Bringewatt (1977) emphasize that

there is nothing "neutral" about a functional [i.e., program] classification. It is and should be a reflection of what a chief executive wishes to stress in terms of his general program and objectives.

In the budget preparation phase it is the mayor who establishes the program categories to be used and determines the goals associated with each category. He is also the final arbitrator in deciding among alternative courses of action to achieve the goals.

Program budgeting also changes the role of the central budget office.

Traditionally, this office has primarily been responsible for gathering and analyzing revenue and expenditure data and for assisting the mayor by assembling the modified agency funding requests into a single budget document. Under program budgeting, the central office must consider the qualitative policy aspects of alternative expenditure programs (Howard 1973). Also, many of the economic analysis and systems analysis functions must be performed by this office. Since few local budget offices include staff members able to perform these sophisticated analyses, restaffing or retraining is often required (Lee and Johnson 1983). In summary, while program budgeting significantly increases the influence of the central budget office, the new duties it entails may create discomfort among those staff members with a purely financial outlook.

Program budgeting affects the budget preparation responsibilities of the administrative agencies in two ways. First, the principal flow of information in this type of budgeting consists of the dispersion of policy directives from the mayor down through the program categories to the operating units. This contrasts markedly with the primary information flow of traditional budgeting in which technical and resource information sent up from the agencies guides the decision making process (Schick 1966). Second, the use of program categories that cut across agency lines complicates the development of funding requests. Mechanisms must be devised to accommodate the formulation of requests by interdepartmental groups (Howard 1973). It is unlikely that the agencies will become completely reconciled to the interdepartmental structure, however, and that they will see it as a continuing threat of governmental reorganization (Hirsch, et al. 1974).

In establishing the budget as an instrument for implementing executive policy, program budgeting sharply curtails the decision making role of the city council. By the time the council is involved in the process, the budget is an organic system of interrelated expenditure proposals. Changes cannot be made in individual parts of the budget without carefully and systematically considering the effect of these changes on all other parts. Consequently, the council must review the budget as a whole and can usually only recommend general changes (Howard 1973). It is unlikely that legislators will accept program budgeting unless a way is found to involve them in the identification of goals and the formulation of policy that take place at the beginning of the process (Howard 1973).

Implications for budget execution. Unlike previous budget reforms, program budgeting attempts to improve the preparation rather than the execution of budgets. In fact, the program budget reviewed by decision makers is of little use to agency managers. Crosswalks must be employed to translate budget information organized according to programs into an organizational form suitable for management purposes (Schick 1966).

One benefit of program budgeting is the improvement of the agency administrators' understanding of the way their activities fit into the overall policy of the city. The administrators prepare their funding requests on the basis of program directives issued by the executive, and, by observing the changes that are made to these requests, are able to estimate the priorities of decision makers. Thus, the administrators can better understand the importance of their activities and their interrelationships with the other activities of the government.

Program budgeting requires increased record keeping during budget execution and more comprehensive evaluation during auditing (Howard 1973). These responsibilities are necessary so that the outcomes produced by the budgeting decisions can be considered in the preparation of the budget for the upcoming year.

Zero-based budgeting. Contrary to the hopes and expectations of planners and systems analysts, program budgeting did not receive widespread and long lasting acceptance. Few governments were willing to commit to the large investment of money and talented personnel necessary to establish a program budgeting system. In addition, budgeting participants apparently did not understand the systematic, rational concept underlying the process or the sophisticated analytical methods it employed and had little faith in the analysts' ability to predict the future outcomes of budget policy decisions (Lee and Johnson 1983). By 1970, program budgeting was virtually extinct at the local level.

The experience with program budgeting did, however, awaken governments to the policy and planning aspects of budgeting. The concern over these aspects led to the most recent of the major budgeting innovations, zero-based budgeting (ZBB), which became prominent in the late 1970s (So 1979). In its pure form, ZBB attempts to replace the incremental decision making process, which focuses on yearly changes in funding levels, with a process in which decisions are based on an analysis of each governmental activity without reference to previous funding levels. The pure form of ZBB further attempts to develop information that facilitates comparison of marginal costs and marginal benefits within and among activities (Lynch 1979). The process used in pure ZBB (Lee and Johnson 1983) consists of requiring each activity-performing unit

within the administration to quantitatively assess the impact that would occur if its funding was reduced to zero. Subsequent assessments are then made for alternative funding levels. Decision makers can then select the combination of activity funding levels that best reflects their policies and priorities.

This pure form of ZBB has seldom been implemented. Normally, instead of being requested to assess the impact of no funding, the activity units are requested to assess the impact of percentage changes in the previous year's funding (Lee and Johnson 1983). In this modified form, ZBB does not replace incrementalism; it institutionalizes it.

Neither form of ZBB has been widely used at the local government level. The most publicized experience with this type of budgeting was the federal government's use of the modified form during the Carter administration. The principal impact during this period was the generation of an enormous amount of paper work. The technique did not result in the elimination of any agencies, nor did it seem to slow agency growth or change the relative priorities of programs (Lee and Johnson 1983).

EVOLUTION TOWARD A PLANNING APPROACH TO BUDGETING

While no budgeting system instituting a planning approach has received widespread and lasting acceptance, some budgeting theorists have continued to insist that such an approach is necessary. Since at least the mid-1950s budgeting theorists have noted the need for overt recognition of the planning aspects of the budget and for budgeting systems designed to address those aspects. Even more fundamentally

important, they contend, than controlling the total level of governmental spending or finding the most efficient methods of providing services is deciding what activities and programs the government will engage in and what the relative priorities of those activities and programs are.

These proponents of the planning approach to budgeting base their views primarily on the "rationality" that such an approach entails, pointing out that the approach calls for the definition of governmental goals and the systematic evaluation of alternative ways of achieving those goals. In contrast to the political bargaining and incremental decision making characteristic of traditional budgeting, the planning approach, by allowing for the infusion of more creativity in the budgeting process, is said to increase the range and quality of budgeting decisions (Faludi 1985). Furthermore, by basing debates on value-related goals rather than on funding details, the approach is credited with directing decision makers' attention to the equity with which they are distributing resources among segments of the population (Forester 1985). Proponents believe the approach is necessary to overcome the natural tendency toward segmentation in a bureaucracy, so that important issues that cut across organizational lines can be addressed and interactions among the activities of the various elements of the organization can be adequately considered (Harris 1985, Meyerson 1956).

Other theorists object to this view, asserting that the planning approach to budgeting is both impractical and inherently incompatible with American ideals. They argue that the "rationality" of the approach is illusory, not substantive. By requiring the simultaneous consideration of all aspects of the government's activities, the approach is said to over-strain the decision makers' ability to calculate and to preclude them from

employing the types of simplification strategies normally used in making complex decisions (Wildavsky 1964, 1975). The range of possible outcomes of any policy are held to be too wide and the interrelationships among different policies too complex to allow human analysis and understanding. The decision makers' frustration is said to be compounded by the future orientation demanded by the planning approach; the attempt to predict with reasonable accuracy a policy's ability to achieve a long-range goal is seen as a hopeless and stressful effort (Lee and Johnson 1983).

Aside from these practical problems, opponents argue that the planning approach to budgeting is inherently undemocratic. They maintain that the values and goals of a society are the values and goals of its individual citizens, and these vary widely and are subject to constant change (Teitz 1985, Harris 1985). According to this view, any attempt by a government to develop a single set of goals that will provide the basis for all of its actions necessarily ignores the variability in the goals and values of its citizens and, thus, denies the very principles of democracy. Besides, such an attempt to develop goals that are simultaneously acceptable to all citizens and meaningful enough to guide governmental actions is unlikely to succeed and is certain to foment fundamental political conflict (Wildavsky 1964).

Opponents of the planning approach to budgeting maintain that the time-honored technique of incrementalism is both the practical and theoretically appropriate means of making budgeting decisions in all levels of American government (Wildavsky 1964, 1973, 1979). By concentrating on individual funding requests rather than on the full range of a government's activities, decision makers can simplify their task by focusing on the current request's differences from previously decided similar requests. By

debating specific funding proposals rather than overall values and goals, the decision makers are free to engage in political bargaining and negotiation which allows contending interests to reach mutually acceptable compromises. In the view of at least one of these theorists, the multitude of incremental decisions regarding narrow issues cumulates to produce a dynamic political equilibrium which constitutes government policy in much the same way that myriad individual business transactions cumulate to produce an economic equilibrium in the marketplace (Wildavsky 1979).

To proponents of the planning approach, incrementalism relies far too heavily on the happenstance that decisions made separately as if they were unrelated will, when considered in the aggregate, turn out to constitute a coordinated, effective set of policies. They might respond using words applied by Lee Iacocca in a similar context: "Don't they [the incrementalists] want America to be strong and healthy? Sure they do. But they want it to happen without any planning. They want America to be great by accident" (quoted in Heirs 1986). These champions of the planning approach define incrementalism as

basically a theory about change. It identifies two general constraints—one dealing with the budgeters limited resources for analysis, and the second based on political feasibility—which limit solutions to a range of marginal alterations of existing decisions (Danziger 1978).

This approach, they maintain, will merely "transfer the present into the future with a few small variations" (Shick 1966). These theorists argue that decisions regarding the distribution of a government's resources must be approached rationally and comprehensively if those decisions are to contribute to the realization of long-range goals (Alexander 1981) and if the society is to intentionally progress in any direction (Howard 1973).

The theoretical debate regarding the planning approach to budgeting raises several fundamental questions:

1. Does the planning approach aid decision makers by organizing the information they need and providing a systematic method for decision making, or does it hinder them by precluding the use of traditional simplification strategies?
2. Does a focus on the policy aspects of budgeting decisions (a) result in increased attention to equity, (b) reduce equity by lowering funding associated with minority policies, or (c) result in insolvable arguments over incompatible values and goals?
3. Does the comprehensive approach lead to improved coordination among the government's activities?
4. Does the future orientation of the planning approach lend direction to governmental decisions and, thus, contribute to the realization of long-range goals?

EVOLUTION TOWARD MORE RELEVANT CITY PLANNING

While the general trend in budgeting theory has been toward a planning approach to budgeting, it is unlikely that the theorists expected this function to be provided by the government's official planning agency (Fagin 1972). Yet, over much the same period that theoretical support for a planning approach to budgeting has been

growing, planning theorists have been calling for radical reforms in the nature of city planning to make it more relevant to budgeting and other municipal decisions.

Planning theorists, recognizing that the end-state master plans of the 1950s and 1960s were largely ineffective in influencing municipal decisions, have been searching for a more active and influential role for planning. In its evolution, planning theory has begun to place less emphasis on the idea of a utopian, long-range plan for the physical aspects of the city, while emphasizing the need for plans that provide relevant guidance to decisions regarding the city's immediate needs. Only planning, these theorists argue, can provide a context for municipal decisions that is long-range and comprehensive; that is, one that can shed light on the implications over time of decisions on the interaction among all the components that make up the city.

In the mid-1950s, just as the heyday of long-range, end-state master plans was beginning, a reaction against such planning became evident in the planning community. Martin Meyerson, in an article in the *Journal of the American Institute of Planners* in 1956, pointed out the dichotomous perceptions of plan-makers and plan-implementers. He noted that the politicians and businessmen, through whose actions plans were supposed to be implemented, found the long-range master plan so generalized, vague, and remote that it was irrelevant to the decisions they faced. Planners, on the other hand, considered the routine decisions of politicians piecemeal and ineffective in addressing the real causes of urban problems. Meyerson concluded that "a middle ground is needed, . . . an intermediate set of planning functions must be performed on a sustained, on-going basis" to translate the long-range plan into shorter-range objectives that would provide relevant guidance to public and private decision makers. This type

of plan, which Meyerson called the "middle-range bridge" would be prepared annually and officially adopted, and it would "become the central guide to land use control, to public budgeting and to appropriate private actions to achieve directed community improvement."

Meyerson's proposal had little immediate impact on the mainstream practice of planning, but by the early 1970s other theorists had begun to question the relevance of end-state master plans and to urge planners to play a more active and relevant role in the political environment. Anthony Catanese (1974) noted that "the master plan technique, coupled with its usual implementing tools of zoning, subdivision controls, and long-range capital improvements program, had produced incredibly few successes." Catanese urged planners to concentrate on issues more directly related to the decisions facing politicians and to take an active part in the political process when developing their recommendations and the strategies to implement them.

Throughout the 1970s planning theorists increasingly recognized both the inseparability of planning and politics and the limitations imposed by the technical, apolitical role traditionally adopted by planners. By the end of the decade more and more theorists were insisting that planning could be effective only if practicing planners recognized and acted on its essentially political nature (Catanese 1978, Hartman 1978, Peattie 1978, Kaufman 1978, Etzioni 1978, Krumholz, et al. 1978). They argued that the legitimate purpose of planning was to guide the distribution of a government's scarce resources (Catanese 1978, Webber 1978, Davidoff 1978, Peattie 1978, Beauregard 1978). That distribution necessarily affected different segments of the population unequally and, thus, inherently entailed political conflict. "Under virtually all the social circumstances in

which planners work," wrote Melvin Webber (1978), "the acceptable way is necessarily the outcome of the political process. That is to say, there are no scientifically or technically correct answers, only politically appropriate ones."

Practical recognition of the political nature of planning seemed to call for a new role for planners, one in which they engaged in rather than avoided political conflict and bargaining. "It suggests that an effective style of planning does not call for plans that present right answers, rather that it calls for procedures which might help plural politics reach decisions in acceptable ways. In that idiom, planning would become an integral aspect of governing, rather than a separate function of government" (Webber 1978).

Other writers, while not disagreeing with the need for planners to recognize the political aspects of their profession and to improve their methods of interacting with their political environment, insisted that fundamental differences between planning and politics must be remembered (Horowitz 1978, Berry 1978, Dyckman 1978, Sternlieb 1978). "Planning," said one (Dyckman 1978), "is in politics, and cannot escape politics, but it is not politics." These theorists noted that politics worked on the principle of negotiating among centers of political influence to build an acceptable consensus on how to address an issue. Differences in the influence mustered by the various parties to the debate determined what decision would be reached; the facts regarding the issue and the efficacy of the consensus at addressing it were of secondary importance. Planning, on the other hand, insisted on the application of rationality, that is, that the debate should consider the pertinent facts surrounding the issue and the decision reached should represent an effective means of addressing the issue. The relative efficacy of the

alternative approaches in resolving the issue, not political influence, determined the appropriate decision.

In light of these fundamental differences, the entry of planning into the political fray could hardly be expected to meet with an unqualified welcome by incumbent decision makers.

Applied rationality presents fundamental challenges to the traditional American decisionmaking style. . . . There seems little question that more and better information and analysis intensifies rather than reduces the individual's feelings of anxiety and uncertainty. . . . There are deep personal frustrations resulting from the conflict between the policymaker's sense of potential power to generate and implement better policies based on more information, and his sense of vulnerability to exposure of personal and organizational insufficiencies. As one of my ex-colleagues commented, "I often feel that politicians don't want issues crystallized. There's a certain kind of defense mechanism that operates in avoiding the crystallization of issues that would conflict and sharpen when they get crystallized" (Berry 1978).

In spite of the growing theoretical support for a decision-centered, process-oriented style of planning, the master plan technique continued to be popular in planning practice. At the beginning of the 1980s Melville Branch (1981) launched the most complete attack yet on end-state planning and, unlike most of his predecessors, put forth a rather detailed proposal for an alternative planning technique to replace it.

"Grand master plans for some far-off time, which do not relate to available resources nor means of progressive attainment are anachronistic delusions," Branch insisted, "regarded by those who manage the city more as a nuisance than a significant directive force." He argued that such plans are no more than Utopian conceptions which simply postulate an idealized future state unconstrained by practicality. Branch listed "seven deadly sins" of end-state master plans:

1. The picture of the physical city 20-25 years in the future shown by traditional end-state master plans does not represent what the community wants nor what is possible, but what city planners wish could be.
2. Physical plans do not treat financial, economic, political, technological, and other "nonphysical" realities which must be incorporated in meaningful city plans.
3. Traditional city plans are formulated as if the municipal government can provide whatever funds are needed and will enact whatever laws and regulations are required to achieve the end-state city planners believe is desirable many years hence.
4. The end-state depicted in city plans is so far in the future and so idealized that it does not represent the outcome of a feasible sequence of shorter-range municipal operations and attainments.
5. City planning has attempted to function independently of politics and separately from the administrative processes of the municipality.
6. Past city planning has presumed that it can avoid the primary, most pressing, and most difficult urban problems.
7. Master city plans are conceived and issued as inflexible printed publications, revised and republished only at long intervals, regardless of changing conditions and events.

Instead of concentrating on an ideal, end-state vision of the future, Branch said, planners should be concerned with formulating realistic and attainable planning objectives which, in contrast to the master plan technique, begin with the present and project it into the future. He pointed out that planning geared to developing and implementing such objectives would be much more difficult than traditional, end-state planning. "To determine planning objectives that are demonstrably desirable in the public or majority interest, that represent the maximum the organism involved can

realistically attain, and for which a program of effectuation can be formulated--this is one of society's most difficult endeavors" (Branch 1981).

Branch proposed that traditional planning techniques be replaced by a method which he called "continuous city planning." Under this new method the planning process would never stop. The planning office would act as the collector, analyst, and central repository of information relevant to city decisions and would develop the city's comprehensive plan by synthesizing functional plans prepared by the various municipal departments. The resulting comprehensive plan would "incorporate the budgets, operating plans, and longer-range objectives and goals of the municipal departments" and thus would be "representative of the actual condition and intentions of the municipality."

Perhaps the principal responsibility of the central planning office in Branch's view would be to develop and progressively expand the analytical construct required for evaluating and coordinating the various departmental plans and providing advice to decision makers. Toward this end, the time-dimension of the plan would vary from issue to issue depending on the need for long-range projections and the planners' ability to make accurate projections. Some aspects (e.g., the primary transportation system) would be projected far into the future; others (e.g., municipal services) would be projected into the shorter-term future; and still others (e.g., public attitudes, and economic conditions) would not be forecast at all. "In continuous city planning," Branch concluded, "no pretense is made that the representation or simulation of the city that serves as its analytical base is intellectually or analytically complete. . . . Such completeness is beyond human capability at present for organisms as complicated as cities."

In his proposal for making planning relevant, Branch even recommended radical changes in the physical layout of the planning office. The traditional highly partitioned network of cubicles where experts supposedly mysteriously developed their long-range recommendations should be replaced, he said, with something akin to an "open house" geared to providing decision makers and citizens with the latest information on the status and direction of the city. Maps, charts, and graphs depicting all aspects of the city would be on constant display and would be quickly updated to reflect every change in conditions (e.g., a city council decision, a private land use decision, or a change in population or economic conditions). Branch envisioned that this office would become a natural gathering place where decision makers could examine and discuss the implications of impending issues.

In summary, recent planning theory has increasingly called for a politically active, decision-centered approach to replace the end-state master plan approach. The differences between the two approaches may be somewhat simplistically described by examples. The end-state master plan is analogous to an architect's plan for a building. The plan consists of a picture of the completed building. While the architect may include some directions to indicate how certain details are to be put together, for the most part he assumes that the plan is feasible and that the contractor will be able to construct it. The architect's concentration is on the completed structure—the end-state. In contrast, the process-oriented, decision-centered approach to planning is more akin to the plan that survivors of a shipwreck might develop for escaping from a deserted island. They would not spend much time arguing about whether they wanted to get back to civilization. Instead, they would discuss alternative escape strategies, carefully examining

the influence of the environment (weather patterns, tides, ocean currents, and nearby shipping lanes, for instance) and the leeway that each alternative allowed for dealing with unexpected developments. Even after they had selected and begun to implement the alternative they felt most likely to succeed, the survivors would still be able to rethink it, to make subtle refinements or change it completely. In this case, the goal (escape from the island) is assumed, and the planners' attention is concentrated on the process of achieving it—a reversal of the relationship between means and ends in the previous example.

The growing theoretical support for a politically active, decision-centered method of planning raises several important questions:

1. Is the reduced emphasis on goals appropriate; that is, can the planner assume that the relevant goals are sufficiently obvious or that they will be revealed through the political process and, thus, do not need to be explicitly debated?
2. What is the effect, in practice, of focusing principal attention on immediate decisions? Does the long-range view become irrelevant to the planner and thus neglected? Is analysis that is not future-oriented really planning at all?
3. What is the effect of the planner's active participation in the political process? Does the implicit necessity of engaging in political bargaining and negotiation involving specific, narrow issues detract from the comprehensive viewpoint that has long been recognized as one of the most valuable contributions of planning?

SUMMARY

Recent evolutions in the theories of public budgeting and public planning constitute, to some degree, a trend toward convergence of the two fields. Budgeters have increasingly called for overt recognition of the policy and planning aspects of their activities and have explored operational systems to institute those aspects in the budgeting decision process. Planners, on the other hand, have increasingly come to realize the need to gear their activities toward the immediate needs of decision makers and to participate more actively in the political process. The distribution of resources has more and more come to be seen as a legitimate concern of planning, leading some planning theorists to insist that the traditional relationship between planning and the capital budget should be expanded to include the operating budget as well. To some, the establishment of a linkage between planning and budgeting suggests exciting possibilities for improving public decisions; to others it suggests the frightening possibility of unbridled political conflict and irresponsible governmental action. The remainder of this paper, by examining a real-world instance of the linkage of planning and budgeting, attempts to shed light on the degree to which both of these sets of possibilities are likely to be realized in practice.

CHAPTER II

THE HISTORY OF ATLANTA'S ATTEMPT TO LINK PLANING AND BUDGETING

Between 1974 and 1982, an ambitious effort to establish a direct link between city planning and budgeting was undertaken in Atlanta, Georgia. The linkage was constrained, shaped, and, to some extent, engendered by tremendous social and political changes occurring in the city. This chapter traces the history of the planning-budgeting linkage in Atlanta within its social and political context and discusses the effects of the linkage on planning and budgeting processes and decisions.

The basis for Atlanta's attempt to link planning and budgeting was established in 1973, when the General Assembly of the State of Georgia adopted a new charter for the city. The previous city charter had been enacted in 1874 at a time when Atlanta was a small city of about 22,000 people. Since then Atlanta had grown to become the hub of a diverse metropolitan area serving as the regional center for a large portion of the Southeast. The complexity of the city's government had necessarily increased, far overreaching the concepts contained in the original city charter. Numerous amendments, intended to keep the charter up-to-date with the city's development, had made it confusing and unwieldy (Bondurant 1986).

The new city charter, which took effect in 1974, called for drastic changes in Atlanta's government. Most fundamentally, the charter instituted a strong-mayor/council form of government to replace the previous weak-mayor/board of aldermen. Among its other provisions, the charter required that a new city plan be annually prepared by the

mayor and adopted by the city council. The charter further stipulated that this plan should be used as a guide for preparing the city's capital improvements program and annual capital budgets.

The charter's reassignment of responsibilities between the newly-defined executive and legislative branches initiated a long period of transition as the mayor and city council competed for control of the government. It was in this context that the executive branch sought to link the city's plan to its operating budget. The motivation for this linkage was partly theoretical—the mayor and his advisors believed the operating budget should be an integral part of the city policy established by the plan—and partly political—the mayor saw control of the budget as a necessary component of the strong-mayor system.

Over the next eight years, however, political concerns increasingly dominated the decisions regarding the linkage, and the theoretical underpinnings became more and more obscure. When the city administration changed hands in 1982, the linkage between the plan and the operating budget was effectively abandoned, and the linkage between the plan and the capital budget was reduced to the minimum level required by the city charter.

PLANNING AND BUDGETING BEFORE THE NEW CHARTER

Contrary to popular myth, Atlanta is not a city of the Old South. It did not develop as the center of an agrarian empire as did most other major cities in the region. Atlanta's growth came after the Civil War and was largely due to the city's strategic

location in the nation's developing transportation system. The city has developed as a mercantile and shipping center to the point that, in the last several decades, it dominates the entire Southeast (Kennedy 1986, Gladin 1986).

Because of the nature of Atlanta's historical development, the business community has traditionally been the principal center of power. Floyd Hunter (in his pioneering assessment of local power structure and in a follow up study 20 years later) clearly established that major decisions affecting the entire city were made not by city hall, but by a fairly small cadre centered around the city's business leaders (Hunter 1953, 1980). These business leaders felt a strong loyalty to the city, and the projects they conceived and funded were seen as being in the interest of the city as a whole and not merely as favorable to commercial interests (Gladin 1986).

One aspect of the business community's support for the city has been a tradition of public service. For several decades the city government was run by a succession of prominent business leaders. While most observers agreed that the motivation for this public service was altruistic (Davis 1986), some felt that the perspective of such leaders led to actions that did not always address the problems of the less affluent citizens (Kennedy 1986).

The enthusiasm for public service was apparent down through the ranks of the government. One long-time observer notes that city employees in the period before 1974 were highly competent people who advanced through the ranks to attain positions of greater responsibility. As a result, the employees developed a thorough understanding of the city's systems. Furthermore, a sort of municipal wisdom was established as the

results of various approaches to the issues facing the city were stored in the memories of long-term employees and administrators (Gladin 1986).

Governmental structure

Before 1974 Atlanta was headed by a weak-mayor form of government in which virtually all official power resided in a board of aldermen. The board, whose members served part-time, was divided into committees with each committee charged with the direct administration of one of the city's departments. Except for times when the retirement or defeat of an incumbent alderman created an opening, the membership of the committees seldom changed (Armentrout 1986). The close relationships that inevitably developed between the committees and the operating departments—committee meetings were usually held within the department—gave the board of aldermen effective control over city government (Jackson 1986). Most members of the board were chairmen of at least one committee. According to one source, this led to the "an informal but very effective courtesy system" in which the chairman of a committee actually made the important decisions regarding the department which the committee supervised (Berry 1986). Since there was little room in this system for debate of the city's overall direction, meetings of the entire board of aldermen usually lasted for only about an hour (Jackson 1986).

The power vested in the mayor was quite limited: he was, ex officio, a member of each of the committees, and he appointed the committee chairmen. This appointive authority was his chief formal power; since each chairman owed his job to the mayor, he

could scarcely disregard the mayor's views when making decisions (Berry 1986). Yet, the fact that highly effective mayors were not uncommon under this system was due more to their personal power and influence than to any official power given them by the governmental structure (Eplan 1986).

Proponents of this system maintained (1) that the close relationships between the aldermanic committees and the operating departments gave the decision makers a thorough understanding of the problems facing the departments, and (2) that the absence of a legally defined central authority in the government allowed flexible decision making techniques to develop in which issues could be debated and resolved informally among the key decision makers without the complications involved in a more structured and public decision process (Davis 1986). However, most observers seemed to agree with the argument that this loose distribution of power was not effective and led to a "finely honed, highly developed system of dodging issues. . . . If there was a hard issue that came about, the mayor could blame it on the council committee and the council committee could blame it on the mayor and things could get lost very easily" (Berry 1986).

In this system of diffused power where no one person was given both the responsibility and the authority to look after the city's overall interests, central power devolved to an appointed official: the director of the Department of Finance. Most of the significant issues to be decided by the city, particularly those involving competition among the interests of the various departments, involved money. The finance director, who was the only person in the government who had all the information regarding the city's revenues and expenditures, was in the unique position of being able to give focus

and overall shape to the city's decisions. This situation, coupled with the fact that the finance directors typically served for many years and accumulated a tremendous amount of knowledge and influence, led to the finance department's becoming "the closest thing to a central management office that there was" (Anderson 1986).

Atlanta has had a tradition of strong, competent finance directors, and the man who held the position in 1974 was a particularly good example of the type. Charles Davis had been with the city's Department of Finance since 1948 and, having risen through the ranks to become director in 1962, knew virtually everything there was to know about the operation and finances of the city government. In addition to having strong leadership abilities, Davis was smarter and worked harder than anyone who tried to oppose him (Berry 1986). Davis "saw controlling purse-strings as real power and exercised it that way" (Anderson 1986). By all accounts, Davis dominated the board of aldermen and, by extension, the administrative departments (Armentrout 1986, Jackson 1986).

One observer characterized Davis as

a man who knew where every dollar in city government was. Anytime anybody, including the mayor, wanted to do anything, he went on bended knee to Charlie and said, "Charlie, do we have the money?" And if he wanted you to do it; you had the money; and if he didn't want you to do it, you didn't have the money (Armentrout 1986).

Although two former aldermen described Davis as "simply phenomenal in the kind of power he had gathered around his office" (Bradley 1986) and as a "czar" in his relations with the board of aldermen (Jackson 1986), he reportedly enjoyed "tremendous allegiance" from the board (Bradley 1986). This allegiance was probably due to a combination of two factors: (1) a tacit recognition of the fact that the loosely structured

political negotiating, which characterized debates within the system of diffused power, would have gotten totally out of hand if someone had not assumed central control, and (2) the knowledge that Davis had the absolute confidence of Atlanta's business community (the real center of power in the city) and that by following his lead the aldermen could count on the support of these influential people.

Budgeting in the old system

Like many local governments, Atlanta has long used interfund accounting in which a separate budget is prepared for each of the government's operating funds. The general fund, which depends primarily on the city's tax revenues, is by far the largest of these funds, followed by the water and sewer revenue fund and the airport revenue fund. The dedicated budgets associated with the revenue funds typically depend on fees for their revenues and generally have more adequate funding than does the tax-based general fund budget. The departments financed by revenue funds have more discretion and control over the content of their dedicated budgets than operating departments have over the content of the general fund budget (Layton 1986).

Before the charter change of 1974, all of the city's budgets were prepared by the Department of Finance. The budgets were presented to the mayor "only for his information" (Jackson 1986) and were formally adopted by the board of aldermen. There could be no executive budget process in the traditional sense because the city had no elected chief executive officer. It could be said that the budgets were executive budgets in an informal sense because they were prepared and presented to the board of

aldermen by the finance director, who was reportedly the closest thing the city had to a central authority.

Atlanta's government has long been fiscally conservative. Before the preparation of each year's budget, a budget commission must estimate the revenues the city can expect to collect in the upcoming year. The budget commission consists of five members, and must include the mayor, the chairman of the aldermanic (or council) finance committee, and the director of the Department of Finance. Under a 1937 state budget law the revenues which the commission anticipates to be available for funding city activities cannot exceed 99 percent of the revenues which were collected in the previous year. Furthermore, the members of the commission are personally liable for any over-anticipation of revenues (Anderson 1980). It is not surprising that the commission has historically overestimated expenses and underestimated revenues (Anderson 1986).

The tendency toward fiscal conservatism is supported by the fact that, in addition to his duties within city government, the finance director is the city's financial representative. He deals closely with municipal bond rating agencies and major investors (Davis 1986). This responsibility gives the finance director a stronger interest in tight control of spending to ensure the financial health of the government. The effectiveness of this strategy is evidenced by the city's historically excellent bond rating (Davis 1986).

Operating budgeting. The general fund operating budget is by far the largest of the budgets produced in Atlanta. This budget is dominated by commitments to current services and affords little flexibility for decision makers. More than 70 percent of the

budget is dedicated to salaries and cannot be altered without reducing or restructuring city employment (Jackson 1986). Most of the budget is used to fund politically sensitive services such as public safety, public works, and sanitation, which city officials are reluctant to tamper with (Jackson 1986). Once expenditures have been allocated to maintain the current quality of crucial services, only about eight or nine percent of the general fund budget remains for new initiatives or changes in policy direction (Monteilh 1986).

Before 1974, the city's operating departments submitted budget requests directly to the Department of Finance. This department reviewed the requests and assembled them into a proposed operating budget that was submitted to the board of aldermen along with recommendations for changes. Budgets during this period were prepared in a line-item format. This format supported the finance department's concern for control of spending and the aldermanic committees' direct management of the administrative departments.

Finance Director Davis attempted to compensate for the uneven budgeting capabilities of the operating departments by assigning finance staff to assist some departments in formulating their budget requests (Davis 1986). In reviewing the requests and recommending changes in them, Davis considered the attitudes and strategies which the different departments tended to adopt in budgeting matters. Agencies which provided essential public services and whose budgets change little from year to year were likely to be relatively conservative in their requests. Some, such as the fire department, were even prone to request too little funding. The funding allocated to other functions, such as social service programs and staff agencies, could

fluctuate widely from one year to the next. These departments were prone to make more exorbitant requests for funding (Davis 1986). One observer insisted that the influence exercised by the Department of Finance in reviewing and adjusting the budget requests "was largely negative because it neither suggested programs nor outlined a policy framework against which cuts could be evaluated" (Eplan 1978).

The finance director presented the proposed budget to the board of aldermen's finance committee, and he, rather than representatives of the departments, argued for or against each department's request (Eplan 1986). Once the finance committee was satisfied, the budget was released for the consideration of the full board of aldermen. In this arena the aldermanic committees acted as advocates for the departments which they supervised rather than as controllers of spending (Jackson 1986).

The mayor had little official involvement in this budgeting process except that afforded by his membership on each aldermanic committee. To have an impact on the budget, mayors had to rely on their personal influence or adopt unofficial strategies. The office of one mayor during this period recognized that, in the absence of a legally defined central authority, real power lay with the person who controlled critical information. So, one of Davis' top assistants was hired as an aide to the mayor. This aide knew a great deal about the information available and was able to help the mayor's office increase its influence on budgeting decisions (Sweat 1986). Still, it was the finance director who dominated the budget deliberations. A local newspaper reporter noted that "for many years the mayor and board of aldermen turned to Davis for advice and consent on the city's budget. In many cases, only Davis knew where the money was and how it could be used" (Allen 1974).

Capital budgeting. Capital budgeting in Atlanta (and probably in most cities) differs from operating budgeting in the amount of leeway it affords decision makers for implementing city policy. Because the capital budget is not dominated by the expenditures necessary to continue providing essential services, it allows more flexibility and creativity on the part of decision makers (Monteilh 1986).

Revenues for capital budgets in Atlanta come from three basic sources: revenue bonds, general obligation bonds, and federal grants. Capital improvements associated with more-or-less independent accounts (e.g., the water and sewer revenue fund and the airport revenue fund) are financed through the sale of revenue bonds (Jackson 1986). Capital improvements which cannot be financed in this way are funded through the sale of general obligation bonds, supplemented, where appropriate, with federal grants. Since 1968, Atlanta has been empowered to issue up to eight million dollars in general obligation bonds each year without submitting the bond issue to a public referendum (Ga. L. 1968, pp. 1582, 1586). Of this amount, four million dollars is allocated to the board of education, and the remainder is used for general municipal improvements. If additional capital improvement funds are needed, the specific projects and funding levels involved must be approved by the voters. The selection of projects to be funded by revenue bonds is influenced strongly by the departments supervising the affected activities. The operating departments have much less influence on the selection of projects to be funded by the general obligation bonds since all the departments are competing for a limited amount of readily available money (Jackson 1986).

Before 1974, the city's capital budget, like its operating budget, was prepared entirely by the Department of Finance. Operating departments submitted to the

Department of Finance lists of the projects they wished to implement. The finance department assembled all of the requests, categorized them according to source of funding, and assigned priorities to the projects in each category (Davis 1986). The resulting list constituted the city's capital improvements program (CIP), which was the city's principal long-range financial planning document (Davis 1986). The finance director submitted the completed CIP to the aldermanic finance committee and explained the basis of the priorities assigned to the various projects. The document was then submitted to the complete board of aldermen for debate and adoption (Davis 1986). The city's annual capital budgets were then drawn from the top priority projects for each funding source in the CIP.

From a policy making point of view, the critical decisions in this process were those involving the assignment of priorities to the projects requested by the departments. There is considerable difference of opinion over who made these decisions. Finance Director Davis maintained that he discussed the projects informally with the mayor and aldermen before assigning priorities and that, in any case, the board of aldermen established the final priorities when they adopted the CIP (Davis 1986). Other observers (possibly recognizing that Davis controlled virtually all of the information that the board could use in considering the proposed projects) maintained that the assignment of priorities--and by extension, the selection of projects to be included in the budget--reflected only the judgment of the staff of the Department of Finance and was not based on any systematic process or general input (Guthman 1986, Eplan 1986).

According to Davis, his department monitored the implementation of the CIP to ensure that projects were completed expeditiously, stayed within their budgets, and were

of acceptable quality. The department issued quarterly reports on the status of the projects to the city's elected officials and department heads as well as to bond rating services, underwriters, and major investors (Davis 1986). However, Collier Gladin, the city's long-time planning director, observed that political pressures on the board of aldermen often resulted in the diversion of bond funds from the projects to which they had been appropriated in order to fund other projects. This resulted in delays in completing projects according to the schedule established in the CIP (Gladin 1986).

Summary of pre-1974 budgeting. Several characteristics of budgeting in Atlanta in the period before 1974 stand out as particularly important:

- o There could be no real executive budget in this period because the city's governmental structure did not invest sufficient power in any one elected official.
- o Budgeting was dominated by the director of the Department of Finance largely because he controlled the crucial information pertaining to budget decisions.
- o In budgeting matters, aldermen tended to act parochially, serving as advocates of the administrative departments managed by their aldermanic committees.
- o The budget was seen primarily as an instrument to control municipal spending.

Planning in the old system

Planning in Atlanta evolved considerably in the two decades before the new charter took effect in 1974. In the early 1950s, at a time when the size of the city increased from less than 40 to about 130 square miles, the planning office was concerned exclusively with land use and zoning issues (Gladin 1986). According to one observer, even those issues were not handled with a great deal of sophistication. Collier Gladin, who began working for the city in 1956 and served as planning director for 16 years, reported that the city plan in the early 1950s consisted of two documents: an approximate map of existing land use, and a zoning plan which "didn't look anything like the land use plan" (Gladin 1986). A city planner was forced "to make decisions and recommendations [based] just on his training and ability to look at a block and say, 'That shouldn't be in the block.' He didn't know what was going on around him, or if he did, he didn't have a strong enough leg to stand on to convince anybody" (Gladin 1986).

The scope of the Atlanta's planning effort expanded in the early 1960s as a result of the drastic increase in federal urban programs, particularly the urban renewal program. These federal initiatives led the planning department to become involved with such issues as housing, schools, transportation, and community facilities. The planning department would recommend areas of the city to be included in the urban renewal program and develop program objectives for each area (Gladin 1986). To identify the objectives, the planners began working with neighborhood groups. Since the federal programs provided money to support their planning requirements, the staff of the

planning department grew to approximately 85 people, the largest it had ever been (Aldridge 1986).

During this period Mayor Ivan Allen, with the support and cooperation of the business community, led an effort to use the urban renewal program in eliminating the slums which virtually encircled the downtown area. A vast amount of public housing was constructed as quickly as possible to accommodate the people displaced by this clearance effort. Planners began to work much more closely with the city's top officials, and the officials began to realize the extent to which such development efforts involved coordination among all the city's physical systems and programs (Gladin 1986).

It was also during this period that the movement of affluent Whites to the suburbs began to affect the demographic balance of Atlanta, and the city began to have trouble in getting bond issues approved by the voters. Planners, because of their involvement with citizen participation efforts for the urban renewal program, found that they often knew more about the desires of the citizens than any other group in city government. The planning department was able to help formulate projects and bond proposals that would be more acceptable to the voters (Gladin 1986).

In spite of the expanded scope of the planning effort and the planning department's increased involvement in city activities, Atlanta still did not have a comprehensive plan by the beginning of the 1970s. The planners occasionally prepared an overall city plan map, but this map was not adopted by the board of aldermen. Plans for specific areas of the city, which were adopted by the board, were incorporated with citywide functional plans into the overall city plan map (Gladin 1986). But, because of the lack of a seriously debated and adopted citywide plan including all functional systems

of the city, the planning effort continued to be ad hoc and uncoordinated (Bondurant 1986).

The effectiveness of planning was limited by the prevailing outlook of the city and by the nature of the governmental structure. Panke Bradley, who served both as a member of the board of aldermen/city council and as planning director, observed that "this is not a city that believes in planning. . . . This is a very entrepreneurial city where economic development interests tend to dominate" (Bradley 1986). Presumably, the development interests favored an opportunistic approach and resisted strong planning which might limit their freedom to take advantage of unexpected opportunities. The diffusion of authority in the government also made it very difficult for the city to engage in coordinated, broad-based planning (Aldridge 1986).

The influence which the planning department had with mayors of the city varied over the years. Mayor Bill Hartsfield, who served from 1937 to 1961, "didn't trust planners; if there was any planning to be done in the city, he would do it" (Aldridge 1986). Mayor Ivan Allen (1961 through 1970) relied much more strongly on the planning department for assistance in carrying out his programs, such as the center city slum clearance (Aldridge 1986). Mayor Sam Massell (1970 through 1974) used planners in a similar way. Under Massell, who was a strong advocate of mass transit, the city developed designs for its new subway/transit system. The mayor sought the assistance of the planning department, particularly in developing land use plans related to the overall system and its individual stations (Bradley 1986).

Most members of the board of aldermen were not interested in planning (Bradley 1986). The aldermen apparently did not view planning as relevant to their

principal duty of administering the operating departments. The primary exception to this indifference involved the planning related to the transit system. Due largely to the strong advocacy of Mayor Massell, planning issues were seriously considered by the aldermen in this case. According to Bradley, "that was the one area in planning . . . where I felt the planning bureau really had a lot of persuasive power with city government" (Bradley 1986).

In the absence of an institutionalized involvement in the city's decisions or of reliable support from elected officials, the planners' influence depended on what Gladin referred to as "the buddy system." Gladin (1986) recalled that the planners were able to be effective by keeping aware of the activities of the various city departments, anticipating problems, and offering to help the operating departments when problems came up. By making the departments aware of the usefulness of planning, the planning department was able to influence them to select more meaningful projects and to consider the need for coordination among the city's different functional systems. Gladin noted that this informal approach to influencing public decisions, while necessary given the political environment, was not very efficient. It required a large amount of time and was quite exhausting for the planners, and its effectiveness could never be guaranteed (Gladin 1986).

THE NEW CHARTER OF 1974

By the early 1970s there was widespread recognition of the problems caused by the antiquated structure of Atlanta's government. Some officials within the city were

becoming increasingly frustrated because, in the absence of any central authority in the government, the political leaders often dealt with problems by assigning blame to other politicians rather than by taking initiatives to solve the problems (Berry 1986). Also, the urban renewal program had made it apparent that the governmental structure hindered the important coordination among the city's various services, facilities, and programs (Gladin 1986).

The state government, as well, was becoming exasperated with the city. State projects, particularly new highway routes, bogged down at the city limits of Atlanta, running into myriad and uncoordinated objections from governmental officials and citizens groups. State officials believed these problems were largely due to the fact that Atlanta had no central spokesman and no one to coordinate the city's concerns (Gladin 1986).

The immediate push for developing a new city charter came from people who had both the city's and the state's perspectives on the issue: former city aldermen who had been elected to the Georgia General Assembly (Bondurant 1986, Gladin 1986). In particular, Grace Hamilton and Sidney Marcus were instrumental in promoting creation of a charter commission to consider ways of restructuring the city government (Bondurant 1986).

Although support for the idea of reworking Atlanta's government was growing at this time, recognition of the need for reform was hardly new. As early as the 1930s a report (the "Reed Report") issued by the National Municipal League called for many reforms, including replacement of the weak-mayor system (Bondurant 1986). In the mid-1960s, a report prepared by Public Administration Services (in response to federal

agencies' concern over the lack of coordination among the city's urban renewal activities) again recommended that the city charter be changed to provide a strong-mayor system (Aldridge 1986).

The charter commission

In 1971, the Georgia General Assembly created the Atlanta Charter Commission and charged it with recommending revisions in the city's almost 100-year old charter (Ga. L. 1971, p. 4104). The commission was made up of 30 members appointed by the Fulton and DeKalb county delegations to the general assembly, and by the mayor, board of aldermen, and board of education of the City of Atlanta (Bondurant 1986).

The commission was headed by Emmet J. Bondurant, a prominent Atlanta attorney, and he was primarily responsible for developing the procedures it used to identify pertinent issues and formulate recommendations. The charter commission's basic procedures (Bondurant 1986) are briefly described below.

1. A public hearing was held in each aldermanic district of the city to solicit public input on city problems and identify issues which the commission should address.
2. The commission was divided into five committees with each committee responsible for exploring methods of dealing with the issues associated with a particular area of city government. Committee meetings were open to the public, and minutes of the meetings were circulated to all commission members.

3. The committees employed consultants to examine how other cities dealt with the issues under study and to advise them of the pros and cons of all alternative approaches to the issues. The consultants were not permitted to recommend a preferred alternative.
4. The recommendations of the five committees were assembled, coordinated, and published as a preliminary draft charter.
5. Public hearings were held to discuss the preliminary draft.
6. The commission revised the preliminary draft and prepared a final draft, which was published and submitted to the general assembly.

Throughout the process, the commission made a special effort to persuade city officials, administrators, employee union representatives, and state legislators to attend meetings and provide input (Bondurant 1986).

The final draft of the charter was presented to the general assembly in December 1972, and was signed into law by the governor in March 1973 (Georgia, State of, 1973, p. i). Except for provisions applying to the 1973 municipal elections, the charter was to take effect in January 1974.

The charter's provisions for restructuring the government

Bondurant explained that the new city charter did not attempt to dictate policy choices, but "to allow the widest possible [range of] choices . . . in methods of implementation within very broad, mandated standards" (Bondurant 1986). A newspaper article at the time noted that "unlike the old charter, which describes many of the day-

to-day functions of the city in painstaking detail, the new document is largely silent on what city departments there should be and how they should operate" (Bailey 1973). The reason for this lack of specificity was to allow the mayor and council to restructure the city's administration in response to changing conditions.

The most significant of the charter's "broad, mandated standards" were those which redistributed power and responsibility between newly defined executive and legislative branches of government. The charter established the mayor as "the chief executive officer of the city" and listed 14 powers and duties of the office (Georgia, State of, 1973, Section 3-105). Under the charter "all legislative powers of the city are hereby vested in the council" (Georgia, State of, 1973, Section 1-103), which replaced the legislative/administrative board of aldermen. The charter prescribed general procedures to be used by the council, but said little about the types of issues the body was expected to become involved with. There was no comprehensive list of powers and duties corresponding to that provided for the mayor (Georgia, State of, 1973, Article II). The city council was to be composed of 18 members, 12 elected from defined districts and six elected by the city at-large from specified pairs of districts (Georgia, State of, 1973, Sections 5-102, 5-201).

The charter limited the council's ability to involve itself in the administration of the government by assigning all administrative responsibilities to the mayor. The mayor was to "appoint all directors of departments with the confirmation of the Council, . . . direct and supervise the administration of all departments, . . . [and] prescribe, require, publish, and implement standards of administrative, management and operating practices

and procedures to be followed and adhered to" by all agencies of the administration (Georgia, State of, 1973, Section 3-105).

With the exception of two departments (discussed below) the structure of the administration was to be proposed by the mayor and approved by the council. All departments created in this way would report only to the mayor (Georgia, State of, 1973, Sections 3-301, 3-302). The mayor was to submit the recommended initial organization of the administration to the council within six months of the date the charter took effect. The organization proposal was to "specify the number of departments of the City, and the duties and functions thereof, . . . [and to] define the internal organization of each department" (Georgia, State of, 1973, Section 7-104). After a minimum of two years the mayor could propose a reorganization of the administration to the city council (Georgia, State of, 1973, Section 3-302).

In contrast to the way the charter left the definition and administration of most city departments largely to the mayor, it mandated the creation of a Department of Law and a Department of Finance to be headed by a City Attorney and a Director of Finance, respectively. The heads of these departments, unlike any others in the government, were to be responsible to both the mayor and the council (Georgia, State of, 1973, Sections 3-303, 3-304).

The charter specified several duties for the Director of Finance. In addition to fiduciary responsibilities, the director was to serve as a voting member of the budget commission and as a nonvoting member of the appropriations committee which was charged with preparing the city's annual operating budget (Georgia, State of, 1973, Sections 6-301, 6-302). The finance director's joint responsibility to the mayor and the

council (dual-reporting) and the charter's ambiguity regarding his responsibilities in budget preparation have had a significant impact on attempts to link planning and budgeting in Atlanta.

The charter's requirements for planning and budgeting

Planning. The article of the charter defining the executive branch of the government devotes a full chapter to planning. The chapter establishes general requirements for an ongoing planning process and the issues to be considered. The charter states:

The Mayor shall have a Comprehensive Development Plan of the City of Atlanta prepared and maintained to be used as a guide for the growth and development of the City and which will identify its present and planned physical, social and economic development. This plan shall: (1) set forth the comprehensive development goals, policies and objectives for both the entire City and for individual geographic areas and communities within the City, and (2) in conformance with such development goals, objectives and policies, identify the general location, character, and extent of streets and thoroughfares, parks, recreation facilities, sites for public buildings and structures, City and privately owned utilities, transportation systems and facilities, housing, community facilities, future land use for all classifications, and such other elements, features and policies as will provide for the improvement of the City over the next fifteen (15) years. (Georgia, State of, 1973, Section 3-601.)

In addition to the 15-year plan, the mayor is responsible for having prepared five-year and one-year development plans. The five-year plan is to

(1) present a recommended generalized land use development pattern to guide the growth of the City over a succeeding five year period and (2) include the City's specific development goals and objectives based upon existing and projected demographic and socio-economic factors and public and private community facilities for the entire City and individual geographic areas and communities within the City, as related to the Comprehensive Development Plan and to regional plans" (Georgia, State of, 1973, Section 3-602).

The one-year plan "delineates the City's proposed land use development pattern for a succeeding twelve month period and is based upon the development goals and objectives specified in the City's five year development plan" (Georgia, State of, 1973, Section 3-602).

The charter further requires that, before its preparation, the plan be the subject of hearings in each council district. The complete set of 15-, five-, and one-year plans is to be updated each year and submitted to the city council before its first regular meeting in January. After conducting additional public hearings on the plan, the council is empowered to amend or revise the plan documents. The council must adopt the plans by its last regular meeting in February. (Georgia, State of, 1973, Section 3--603).

In summary, the charter (the document which officially defines the city) requires (1) that planning be primarily the responsibility of the executive branch; (2) that the administration annually prepare (or update) a comprehensive city plan including long-, medium-, and short-range elements; (3) that the long-range plan be the basis for and be further specified by the medium- and short-range plans; (4) that the city council review and adopt the plan; and (5) that citizen input be solicited both in the administrative preparation of the plan and in the legislative review.

The chapter of the charter that prescribes these planning requirements includes another provision which applies not to the planning documents, but to two other important city documents: the capital improvements program and the capital budget. The provision reads simply: "The approved Comprehensive Development Plan shall be used as a guide for the preparation of the City's Capital Improvements Program and Capital budget" (Georgia, State of, 1973, Section 3-603).

Budgeting. While provisions regarding the budgeting process are found in several sections of the charter, the principal requirements are set forth in a chapter entitled "Fiscal Control" under the article "Revenue and Fiscal Administration." This chapter retains the budget commission's responsibility for estimating the revenues that will be available for each year's budget. It also establishes an "appropriations committee" (Georgia, State of, 1973, Section 6-302) which is charged with preparing the proposed annual budget after allowing the opportunity for public input. The committee is also responsible for submitting the proposed budget to the city council by the second regular council meeting in January. An annotation in the original charter document states that the charter commission intended that these duties pertain to the "proposed annual operating budget." Voting members of the appropriations committee include the mayor, the chairman of the council's finance committee, and three council members who are not on the budget commission. The chief administrative officer (CAO) and the director of finance serve as nonvoting members. The charter is somewhat ambiguous regarding presentation of the proposed budget to the city council. Section 6-302 includes this among the duties of the appropriations committee while Section 3-105 lists it as a responsibility of the mayor.

After the proposed budget is received by the council, it is to be the subject of one or more public hearings. The council may amend the budget and must adopt it by the second regular council meeting in February (Georgia, State of, 1973, Section 6-303). The adopted budget is then submitted to the mayor who can either approve or veto it (Georgia, State of, 1973, Section 2-403).

In summary, the charter's requirements for budgeting are considerably less detailed than those for planning, possibly because a budgeting process was already firmly established as an official function of the government. By assigning responsibility for preparing the budget to an appropriations committee composed of executive and legislative members, the charter falls short of establishing a strong executive budget function. Furthermore, the charter's budgeting provisions make no mention of the capital improvements program (CIP), the capital budget, or any connection between planning and budgeting. Thus, the charter's minimal stipulation linking planning and budgeting is stated among its requirements for planning; a corresponding statement is notably absent in the sections of the charter describing the budgeting requirements.

The political aspects of developing the new charter

General governmental restructuring. Predictably, the very idea of revising the city's governmental structure was unpopular with many elected officials and administrators. The board of aldermen opposed the establishment of the charter commission (Bondurant 1986). City administrators, who had typically served for many years and developed considerable power and independence under the old system, saw the commission as a threat to their autonomy (Eplan 1986).

Shortly after the commission presented the proposed charter to the state general assembly, the board of aldermen voted to oppose it. One alderman asserted that the new charter "would strip the council of powers and reduce it to a 'glorified advisory' board to the mayor. . . . Particularly in city budget matters . . . the mayor would have

'virtually all powers' and would turn into 'a czar'" (Anonymous, 1973). The council's reluctance to relinquish administrative and budgeting responsibilities to the mayor was to affect attempts to link planning and budgeting in the following years.

Dual-reporting of the director of finance. One of the most hotly debated of the charter provisions was its stipulation that the director of finance report both to the mayor and to the council. The common perception in the city is that this provision was included because of the tremendous power of Charles Davis. The chairman of the charter commission, Emmet Bondurant, maintained that such was not the case, that the dual-reporting arrangement was included because it is functionally necessary: "Mayor and council are contending centers of power. . . . Finance should be equally accessible to mayor and council" (Bondurant 1986). Bondurant further explained that if the finance director reported only to one, the other would have to hire someone to duplicate the function. The city council, he said, must have access to good and complete financial information, and the city must have strong, responsible financial leadership (Bondurant 1986).

Most other observers, including both defenders and detractors of the dual-reporting arrangement, insisted that the provision was included for political reasons (Armentrout 1986, Anderson 1986, Eplan 1986). This opinion was reportedly widespread in the city (Merriner 1974h). According to the popular belief, Davis realized that, by reporting to two opposing masters, he effectively reported to no one and could retain the independence and power he had enjoyed under the old system (Armentrout 1986). Davis (1986) agreed that the arrangement gave him independence, but felt that

this independence was crucial to his ability to develop logical, professional, and nonpolitical positions on issues. Regardless of the reasons for inclusion of the dual-reporting arrangement, it had serious implications for upcoming relations between the mayor and council and for the relationship between planning and budgeting.

Planning provisions. One of the most impressive aspects of the new charter is its requirement for an ambitious and sophisticated planning process. There is some difference of opinion regarding the source of the impetus for these provisions. Collier Gladin (1986) recalled that the support for an institutionalized planning process grew out of a realization of the city's inability to coordinate its activities and services. George Berry, who was the city's CAO at the time, believed that the general dissatisfaction with the effectiveness of the government did not include widespread support for a planning effort as strong as that prescribed by the charter (Berry 1986). Both men agreed that the city planners were heavily involved in formulating the planning requirements. According to Gladin (1986) the planners had more contact with the charter commission than any other group in city government and even signed up as lobbyists on several occasions. Bondurant (1986) remembered that concerns expressed by neighborhood civic associations at the charter public hearings also influenced the charter's provisions for planning.

In formulating the planning provisions the charter commission studied the approaches used by other cities but found that there was no existing model strong enough to adapt to Atlanta's needs (Bondurant 1986, Gladin 1986). While the final version of the planning requirements owes much to the system used by the City of

Richmond (Bondurant 1986), it was largely based on a common-sense approach to the problems that the city had been experiencing (Gladin 1986).

IMPLEMENTING THE PLANNING-BUDGETING LINKAGE

At the same time the new charter took effect in 1974, Atlanta's government suddenly reflected a change in the city which was even more fundamental than the governmental restructuring: Blacks came to power in city government. While the racial composition of Atlanta had been changing for a long time, with Whites moving out of the city and Blacks moving in (Gladin 1986), this shift was not manifested in the composition of the city's government until the elections of 1973. These elections, the first under the districting and other provisions of the new charter, saw the election of Atlanta's first Black mayor and its first legislative body in which one-half of the members were Black.

The sudden advent of Black representation in the government had tremendous implications for the distribution of power in the city. For the most part, the Black elected officials were not aligned with the virtually all-White business community, which had long been recognized as the behind-the-scenes seat of real power in the city. Attempts to sort out political roles and powers under the new charter were, to some extent, subsumed in the more basic necessity of revising the power structure in response to the shift in the racial representativeness of the government. For example, the political editor of *The Atlanta Constitution* noted that, because of the suspicions of the business community and other White citizens, the first Black mayor "was not simply

trying to assimilate power that was available to him under the new charter; he was basically trying to establish his capacity to govern at all" (Allen 1985).

Just as the shift in the racial composition of the government established the context within which the new charter would be implemented, other provisions of the charter set the stage upon which the attempts to link planning and budgeting would be played. As one observer pointed out, a fundamental change in a government's structure cannot be accomplished with the stroke of a pen; it involves a realignment of powers and responsibilities that may take decades to sort out (Gladin 1986). In particular, the sudden transition to a strong-mayor form of government and the council's reluctance to accept it produced a long-term struggle between the executive and legislative branches. This struggle was especially evident in the arena of budgeting.

The charter's requirements for citizen participation as an integral part of the preparation of plans also had a strong effect on attempts to link planning and budgeting. As a result of massive disruption of residential areas by public works projects in the two decades preceding the new charter, a strong network of neighborhood-based organizations had developed to oppose the powerful business community (Eplan 1978). The charter's provisions for citizen participation afforded these groups the opportunity to have a direct impact on governmental decisions.

This influence was resented by the city council, who saw the neighborhood groups as usurpers of the council's legitimate powers, and by operating departments, who viewed the active citizen groups as unschooled interferers in their technical areas. Since the city planners were charged with carrying out the charter's public input requirements and became closely involved with the neighborhood groups, the plans and

recommendations produced by the planning agency met with great skepticism in the city council and bureaucracy. In this context, planning was hampered in establishing the prestige and credibility it required to function as an effective guide to budgeting.

Maynard Jackson, Atlanta's first Black mayor

The Black mayor who took office in 1974 was Maynard Jackson, who was elected by a coalition of Blacks, poor people, and neighborhood interests (Stogner 1986).

Jackson was not an unknown in city politics, having served as vice-mayor under Sam Massell. He was recognized to have a forceful personality, to be strong-willed and not inclined to compromise (Layton 1986, Anderson 1986, Allen 1985). It may have been his background as an attorney that led him to adopt a partisan advocacy role on issues rather than take a conciliatory, mediating approach.

Jackson was strong-minded as well as strong-willed (Anderson 1986) and was uncommonly able to absorb and understand both detailed information and general principles (Eplan 1986). Although Jackson had no previous experience in managing a large complex organization like the City of Atlanta, he was quickly able to learn effective management techniques (Davis 1986).

Jackson did not enjoy smooth relations with the downtown business community. According to Frederick Allen (1985), the business leaders "were terrified of him from the word 'go.'" Perhaps, the business community's negative reaction was due to their expectation that Jackson would pursue programs favoring the Blacks, poor people, and neighborhood interests who elected him at the expense of the city's commercial interests.

Regardless of the reasons for the poor relations, Jackson did little to smooth the situation. As Bradley (1986) recalled,

he was a mayor that really went out of his way to estrange the business community. . . . He felt very strongly that the business community had too long dominated the planning for the future of Atlanta. He even interjected into his feelings about them that they were the White establishment who controlled the money. . . . That was a very unfortunate position for him to take, because, if you look at the history of Atlanta, the business community is too vital; they can't be put in that kind of adversarial position. You're going to lose too much that way.

The two terms of Maynard Jackson were turbulent times for Atlanta's government—not simply because of his nature, but because of the great social and political changes the city was going through. Long-time councilman, Ira Jackson (1986), summarized the mayor's situation:

[Given] the fact that Maynard Jackson was the first Black mayor of the City of Atlanta, the first strong mayor under the charter, and the fact that Maynard is so strong and so overpowering in stature and in his perception of himself, . . . and the fact that so much was expected of him—conflict was just going to happen.

Jackson was a great supporter of the new city charter and took his responsibility as the city's first officially strong mayor very seriously. Because of his legal background, he was quite conscious that his actions would set precedents, and "he was always very sensitive to establishing the executive's role under the new charter, [to] making sure that the charter's provisions were followed" (Berry 1986).

Mayor Jackson strongly supported the idea of linking planning and budgeting. In his first state-of-the-city address he included "the integration of planning and budgeting" as one of the major goals of his administration (Jackson 1975). The mayor's enthusiasm for the linkage was not new to him. Richard Stogner, who served as one of Jackson's CAOs, noted that Jackson had already shown interest in the "planning approach to

budgeting, the integration of budgeting and planning" during his term as vice-mayor (Stogner 1986).

While most observers agreed that Jackson believed in the concept of linking planning and budgeting, many maintained that he also appreciated the political expediency of the linkage (Armentrout 1986, Stogner 1986, Jackson 1986). In order to establish himself as the city's chief executive and to be able to accomplish his programs, Jackson realized that he would have to undercut the aldermanic system, and one necessary part of doing that was to take control of the budget (Armentrout 1986).

Jackson's reorganization of the administration

The city charter required the mayor to submit a plan for the organization of his administration to the city council by July 1974. Jackson apparently approached this task with enthusiasm. Even before taking office, he was exploring concepts for the bureaucratic restructuring, and these concepts were receiving widespread publicity in the city (Merriner 1974g, 1974i). Immediately after his inauguration these concepts began to take the shape of definite and far-reaching proposals (Merriner 1974d, Allen 1974). Jackson's enthusiasm for the new charter is reflected by the fact that his organization scheme received unanimous approval from the council in early March, less than two months after he took office and almost four months before he was even required to submit it to the council (Merriner 1975b).

Jackson's primary goal in reorganizing the administration was to establish the mayor's authority over the administrative departments. This entailed ending the

departments' longstanding and close relationships with the council. A secondary goal was to save the city money by increasing efficiency and cutting down on the duplication of effort in the administration (Merriner 1974d). Jackson believed that the best way to accomplish these goals and to establish the best precedent as the city's first strong mayor was to set up the proper institutional process and then to have the people involved adapt to it (Berry 1986).

Under the reorganization, the bureaucracy was streamlined by consolidating the 27 existing city departments into nine new agencies. The new government included four line departments (Parks, Libraries, and Cultural Affairs; Public Safety; Environment and Streets; and Aviation) and five staff departments (Administrative Services; Community and Human Development; Law; Finance; and Budget and Planning) (Merriner 1974d). Each department would be headed by a commissioner, a new level of management created in the reorganization.

In addition to his belief in an institutional approach to establishing a strong-mayor system, Jackson apparently realized the importance of the personalities involved. The department directors which he inherited from the old system were entrenched in their power and accustomed to dealing directly with the board of aldermen. To ensure that the new administration fully recognized that he was in charge, Jackson brought in people from outside city government to act as commissioners over six of the nine new departments (Merriner 1975b). Most former department heads were reduced in status to bureau directors who reported to appointed commissioners rather than to elected officials. While the new commissioners Jackson brought into the government had good credentials and were recognized as being quite competent (Gladin 1986, Eplan 1986),

one principal requirement was that they be politically loyal to the mayor (Gladin 1986). It was unavoidable that these new managers did not have an intimate knowledge of the city's systems, and the government lost some of the continuity and "municipal wisdom" it had built up under the old system (Gladin 1986, Davis 1986).

The administrative reorganization reflected the mayor's philosophical goal of integrating planning and budgeting as well as his more pragmatic objective of taking control of budget preparation as a necessary step for implementing the strong-mayor system. The earliest publicized proposal for reorganization called for the creation of a "Department of Planning, Budget and Evaluation" (Merriner 1974f). By the time Jackson submitted his proposed administrative structure to the city council, the title (and implied responsibilities) of the agency had been changed to the "Department of Management and Budget" which would include a Bureau of Planning and a Bureau of Budget and Policy Evaluation (Merriner 1974d).

Jackson certainly recognized the difficulty of establishing an executive budgeting process as long as the budget was prepared by a finance department whose director reported both to the mayor and the council (Layton 1986). George Berry, one of Jackson's chief administrative officers (CAOs), explained that the mayor viewed this dual-reporting arrangement as "a violation of the spirit of the separation of the executive and legislative powers," (Berry 1986) and the mayor himself was quoted as saying that the decision to write the arrangement into the charter was made "for other reasons than good government" (Merriner 1975c). His concern over this institutional arrangement was compounded by the practical realization that the incumbent finance director, Charles

Davis, had dominated the budgeting process for two decades and controlled all the city's financial information.

Despite the mayor's efforts to consolidate budget preparation and financial matters under his purview, he was forced to accept a compromise arrangement in which the finance department continued in its dual-reporting role and a Department of Budget and Planning was created to report solely to the mayor. Jackson's initial scheme for administrative reorganization called for abolishing the Department of Finance, placing some elements of the agency in the Department of Planning, Budget and Evaluation and others in a Department of City Services (Merriner 1974f). However, it was determined that this proposal conflicted with the charter's provisions establishing a Department and Director of Finance. Consequently, the mayor's final proposal retained the Department of Finance, but effectively reduced its power and responsibility. The new department (renamed the Department of Management and Budget) would report only to the mayor and would "formulate overall budget policies and priorities [and] review recommendations of the director of finance for conformity with the budget policy" (Allen 1974). This is essentially the arrangement that was effected by the council's adoption of the reorganization ordinance, although the name of the new agency was again changed to the Department of Budget and Planning.

The administrative organization that was put in place did not change the structure or staffing of the Department of Finance (Davis 1986, Anderson 1986), but it did assign some of the functions previously performed by that department to a newly created Department of Budget and Planning. The new department was intended to assist the mayor in formulating budget policy, while the old finance department was to

administer the budget (Glisson 1986). Leon Eplan, who helped Jackson develop the system and served as the first commissioner of budget and planning, explained that the finance department would continue to "put the numbers together" for the budget, and would be staffed by "fiscal" people. In contrast, the budget and planning department, with its concern for budget policy, would be staffed by "management" people (Merriner 1974h).

The mission of the Department of Budget and Planning was to advise the mayor on development issues and budget policy (Eplan 1986). One of its objectives, according to Eplan, was to tie the comprehensive development plan (CDP) to the annual general fund budget, the capital improvements program, and federally funded programs (Merriner 1974h). Eplan and his department enjoyed a close relationship with the mayor (Eplan 1986, Stogner 1986). The director viewed his department as "as an extension of the mayor's office, . . . as the policy arm of the mayor's office" (Eplan 1986).

The Department of Budget and Planning comprised the commissioner's office, a Bureau of Planning, and a Bureau of Budget Policy and Evaluation. The department employed a staff of approximately 85 to 90 people, including about 70 to 75 people in the planning bureau and about 10 people in the budget policy and evaluation bureau (Eplan 1986).

Mayor Jackson appointed Leon Eplan as the first commissioner of budget and planning. Eplan was new to city government, but he had worked as a consultant to the city and to the Atlanta Regional Commission. Governmental officials in Atlanta respected Eplan as a planner, recognizing him as a person with a strong vision of what

the future of the city could be (Berry 1986, Layton 1986, Glisson 1986, Matthews 1986). Eplan's reputation as a city planner went far beyond the City of Atlanta; he was elected president of the American Institute of Planners in 1975.

The Bureau of Planning was made up of the former Department of Planning, and Collier Gladin remained as the planning director. The agency continued to perform basically the same functions as before, with the added duty of preparing the 15-, five-, and one-year elements of the CDP.

The Bureau of Budget Policy and Evaluation, on the other hand, was an entirely new agency in the city's government. The purposes of the bureau were (1) to prepare budget policy for the mayor, including the translation of the CDP proposals into budgeting terms and (2) to undertake performance evaluations to assist the operating departments in determining their needs (Dortch 1986). The staff of the bureau consisted of a director, a deputy director, four administrative and clerical employees, and four policy and management analysts (Dortch 1986). The bureau's analysts included people with planning backgrounds (reassigned from the planning bureau) and public administration specialists. The bureau did not attempt to recruit employees with financial or accounting backgrounds (Eplan 1986, Layton 1986).

Although the new city charter and the administrative reorganization entailed fundamental changes in the planning and budgeting operations of the city, they did not permit delays while the city developed effective and politically acceptable processes to meet the new requirements. The city had to implement the new regulations immediately while continuing to prepare annual budgets and beginning to prepare annual comprehensive plans. This situation resulted in the beginning of an evolutionary process

in which the process for developing the CDP was expanded and made more open, the format of the plan was focused to provide a more meaningful basis for decisions, and the influence of the plan, particularly on budgeting matters, grew and was increasingly recognized by city officials. Administratively, the evolution was reflected in the steadily increasing role the Department of Budget and Planning played in preparing the city's budgets. Initially, the Department of Budget and Planning prepared the CDP, the Department of Finance prepared the capital improvements program (CIP) and capital budget, and both agencies had responsibilities in preparing the operating budget. By the end of Jackson's administration, responsibility for preparing the executive operating and capital budgets had been transferred to the Department of Budget and Planning, while the Department of Finance functioned as the council's budget review staff and administered budget execution.

The comprehensive development plans

The planning-budgeting process envisioned by the Jackson administration cast the CDP in the dominant role as the document which was to establish the framework for all decisions affecting the future of the city. The plan could play this role successfully only if it could garner widespread support during the preparation and adoption phases and if its proposals were stated in terms relevant to the city's budgeting and other decisions. Yet, when the new charter took effect in 1974, there was no established process for preparing the required annual CDP, and, in fact, the very purpose and scope of the plan were not clearly defined in the minds of the planners or the other participants in the

planning and budgeting operations of the city (Matthews 1986). As these uncertainties were clarified over the next several years, there was an evolution in the methods used to prepare the CDP and in the format of the plan itself.

Evolution of the planning process. When the new charter took effect, the Bureau of Planning almost immediately began preparing the comprehensive development plan for 1975. Although the magnitude and scope of the planning effort prescribed by the charter was far greater than that previously undertaken in the city and the planners had no established process which they could adapt to meet those requirements, the CDP had to be completed and submitted to the city council by January 1975. Consequently, the first CDP was put together hurriedly with the primary goal of meeting the January deadline (Aldridge 1986).

The process used to obtain citizen input into the first CDP consisted of little more than the charter-mandated public hearing in each council district. The planners supplemented this required input by administering a questionnaire to more specifically identify the issues of concern to the citizens (Atlanta, City of, 1975, p. vii). Some neighborhood groups also "submitted written plans, requests, and suggestions" for the planning bureau's consideration, and, as required by the charter, additional public hearings were held once a recommended CDP had been developed and submitted to the city council (Atlanta, City of, 1978, p. 9).

This initial public involvement effort produced a drastic expansion in the scope of the city's planning effort. The citizens placed a high priority on the issues of fighting crime, improving neighborhoods, providing better public education, improving planning

and zoning, and protecting the environment. Medium priority was assigned to increasing the number of park and recreation facilities, eliminating drug and alcohol abuse, caring for the elderly, and improving garbage collection. The citizens placed a low priority on improving and widening streets, establishing day-care centers, eliminating poverty, aiding downtown business development, and increasing the stock of public housing (Atlanta, City of, 1975, p. vii). It is notable that many of the issues which the citizens identified as having high or medium priority involved social problems and the delivery of city services. These issues were far outside the scope of the city's previous planning efforts, which had been almost exclusively concerned with land use and zoning, transportation, and urban renewal activities. The planners acknowledged this tremendous and sudden expansion of the scope of planning, saying that this CDP "represents the preparation for the first time of the most complete set of comprehensive plans the city has ever had" (Atlanta, City of, 1975, p. II-3).

While the planners relied largely on the same, charter-mandated process for citizen participation in preparing the 1976 CDP (Atlanta, City of, 1978, p. 9), the 1977 CDP was prepared using a process that had been significantly changed by two actions of the city council: (1) the schedule for preparing and adopting the CDP was changed to make the plan available before preparation of the city's budgets, and (2) an ambitious neighborhood planning process was established that went far beyond the charter's requirements for citizen participation. With the enactment of these changes, the planning process took the form that would be used, with minor refinements, through the remainder of the Jackson administration.

In April 1975, the council adopted a home-rule charter amendment requiring that the CDP be developed on a fiscal year (July through June) basis—the same temporal basis used for the budget—and that the plan be presented to the council by June of the year before it would take effect. The council indicated by this change that it recognized the importance of the CDP, particularly its influence on the mayor's recommended budget. If the CDP was to function as a guide for budgeting decisions (as the mayor apparently intended that it should), it should share the temporal basis of the budget and should be completed before the budgets were prepared. In the two previous years, with the CDP prepared on the basis of a calendar year and submitted to the council at about the same time as the budget, the plan and the budget were put together simultaneously. George Aldridge, who has been involved in the comprehensive planning effort since those early years, recalled that the planners had attempted to coordinate their activities with those of the budget-preparation staff, "only to find out that, more often than not . . . money talks; so, whatever was in the budget took precedence over whatever was in the plan" (Aldridge 1986). Furthermore, because of the temporal mismatch between the plan and the budget, the one-year element of the CDP could influence the budget only in the last six months of the fiscal year. According to the 1977 CDP (Atlanta, City of, 1977a, p. 11), changing the plan to a fiscal year basis was intended to alter the production and delivery schedule of the plan so that it would be available before the city budgets were prepared. "Having the Plan available at this point of each year will enable the Executive and Council to achieve better coordination between the Plan and the Budget. In brief, the budget process will aim to carry out the programs, projects and activities enumerated in the plan" (Atlanta, City of, 1977b, pp. 12-13).

If the effect of the change in the preparation schedule and temporal basis of the plan was significant, the creation of the neighborhood planning process proved to be of fundamental importance to planning and the planning-budgeting linkage. The citizen participation efforts used in preparing the 1975 and 1976 CDPs had met the requirements of the charter, but they had not satisfied the Jackson administration which sought a more active role for citizens and neighborhoods in the planning process. Eplan explained that the administration wanted to provide "a link between citizen participation, systematic planning and what's going on in the budget" (Rock 1974). While the link between planning and budgeting could be addressed through the city's bureaucratic structure, an additional system, able to reach outside of city government, was needed to obtain citizen input.

Setting up an official process to provide the level of citizen participation desired by the Jackson administration proved to be a highly political issue. The city council, in particular, was concerned that a highly structured and officially recognized system would erode the powers remaining to the legislative body under the new charter. Citizen groups, on the other hand, insisted that neighborhood organizations be allowed to play an integral role in the planning process (Merriner 1974a).

Between mid-1974 and mid-1975, the city council gave a great deal of consideration to the design of the public input system. Throughout its debate of the issue, the council emphasized that the citizens would play an advisory role in the planning process. One councilman explained that "while we are asking for input, we are not saying that the communities will make the plans" (Merriner 1974e). The council, seeking to maintain some control over the process, considered using council districts as

the basis for structuring the citizen participation system. But this approach was finally rejected out of fear that it could be used by the mayor to set up a political machine in opposition to the council (Kennedy 1986).

In August 1974, the council directed the Department of Budget and Planning to recommend boundaries of Neighborhood Planning Units (NPUs) for approval by the council (Atlanta, City of, 1976, p. 10). The department identified 188 neighborhoods in the city and consolidated these into 24 proposed NPUs, each with a population of approximately 22,000 people (American Planning Association 1980, p. 129).

In August 1975, the city council approved the recommended NPUs by adopting a Neighborhood Planning Ordinance (City of Atlanta. *City Code*. Sections 6-3011 - 6-3014). The ordinance, which took effect in 1976, stated that citizens in the defined NPUs "*may* form neighborhood planning committees . . . to *advise* the department of budget and planning on the preparation of the 15, five (5), and one-year comprehensive development plans" (emphasis added). The ordinance further authorized each committee to "*recommend* an action, policy, or a comprehensive plan to the City and to any city agency on any matter affecting the livability of the neighborhood; . . . *assist* city agencies in determining priority needs for the neighborhood; and review items for inclusion in the City Budget and *make recommendations* relating to budget items for neighborhood improvement" (emphasis added). Clearly, the council continued to be sensitive to potential encroachment on its prerogatives by the citizen participation system. The ordinance attempted to minimize this danger by making the organization of the NPUs a voluntary process, by stipulating no formal procedures or organizational structure for the

NPU, and by repeatedly stating that the neighborhood groups would play an advisory role.

The Neighborhood Planning Ordinance assigned the Department of Budget and Planning responsibility for administering the citizen involvement system. The department was directed to provide information to the neighborhood planning committees and other NPU residents regarding land use, transportation, community facilities, programmed capital improvements, housing, human resources, social and recreational programs, environmental quality, open space and parks, and citizen involvement in planning activities. The Department of Budget and Planning responded to these requirements by creating a Local Planning Division within the Bureau of Planning. The new division had a staff of 12 to 14 people which was divided into four teams consisting of at least two planners and one planning technician. Each team was responsible for organizing and preparing plans for six NPUs (Atlanta City Council 1979, p. 4). The duties of the planners in the division were solely those relating to the neighborhood planning effort (Atlanta, City of, 1978, p. 9).

During 1976 the neighborhood planning teams worked with the NPUs to develop land use plans, activities, and projects to be considered in the 1977 CDP. While there was much variation in both the structure of the neighborhood planning committees and the methods they used to develop recommendations, the planners encouraged them to follow a four-step process: (1) conduct an inventory to compile pertinent information regarding the NPU; (2) use this information to analyze the NPU's problems; (3) set goals for solving the problems; and (4) prepare an NPU plan (City Council Development Committee Report on NPU process, July, 1979, p. 4). The neighborhood

planners relied on the *Atlanta Urban Framework Plan* (Atlanta, City of, Department of Planning, 1973) in order to place the NPU proposals in a citywide context. This plan, which had received widespread support, proposed general locations for future development in the city and identified which areas would change and which would be preserved (Kennedy 1986).

The NPUs submitted their recommendations to the planning bureau which forwarded each of them to an appropriate city department. The departments were asked to provide the planning bureau with information on each recommendation's cost, feasibility, eligibility for available funding, and possible conflict with other city policies and initiatives (Anderson 1986, Ladipo 1986). When the responses had been received from the departments the neighborhood planners discussed them with staff of the bureau's functional planning sections and comprehensive planning section to determine how they would be incorporated into the CDP (Kennedy 1986).

Essentially the same approach was used in preparing the next year's plan (Atlanta, City of, 1978, p. 9). However, by the time work began on the 1979 CDP, the Bureau of Planning, apparently recognizing the danger of parochialism that was inherent in the NPU approach, reorganized its Local Planning Division. Where the division had previously used a team approach to provide assistance to the NPUs, it now assigned a single planner to each NPU (although three planners served two NPUs each) (Atlanta City Council 1979, p. 5). More significantly, each of the neighborhood planners was also assigned to a city-wide functional planning team (e.g., transportation or recreation) (Atlanta, City of, 1978, p. 9). The intent of the reorganization was to "integrate city-wide and NPU issues and improve coordination within the Bureau [of Planning] in this

regard; discourage NPU advocacy planning; provide improved linkage between the NPU plans and the CDP, and result in better coordination within the line departments" (Atlanta City Council, 1979, p. 5). This was the last significant change in the planning process during the Jackson administration.

Evolution of the format of the CDPs. Like the planning process, the organizational format of the CDP document began as an ad hoc and somewhat hurried attempt to respond to the new charter requirements and evolved as public officials and planners defined the plan's purpose and scope. While the principal influence leading to changes in the planning process was the desire to obtain maximum citizen input, changes in the format of the plan documents were intended primarily to strengthen the plan's influence on budgeting matters.

The organization of the 1975 CDP reflected the input the planners had received in that year's public involvement effort. To address the concerns identified by the citizens, the planners organized the plan on the basis of the following functional areas: citizen involvement, transportation, land use, historic preservation, environment, housing, services, community and service facilities, and social and human resources. For each of these functional areas the plan (1) presented background information to explain the current situation and identify deficiencies, and (2) identified issues, goals, objectives, policies, and actions for the functional area over 15-, five, and one-year time frames. Predictably, the long-range plans are quite general, but the medium- and short-range proposals are rather specific for some functional areas. Among the actions recommended in the long-range plan for transportation, for example, are "construct new

streets to make necessary and desirable connections between streets, neighborhoods, and activity concentrations," and "construct and/or repair sidewalks throughout the city" (Atlanta, City of, 1975, p. II-10-12). The five- and one-year plans for transportation consist of lists of specific projects which are identified on a city map. These plans also include separate lists of projects that are proposed but which lack funding or for which the "city position is still being developed" (Atlanta, City of, 1975, pp. II-14-17).

Although the 1976 CDP was prepared using basically the same process as its predecessor, its format was radically revised to meet the requirements of the planning-budgeting linkage. Eplan recalled that his department's experience in preparing the 1975 CDP and operating budgets had revealed that "tens of millions of dollars were being spent on things we never even talked about in the plan" (Eplan 1986). The terminology and format of traditional plans, he discovered, did not "relate either to the ways cities are structured or the way that budgets are structured." Eplan decided that the CDP could serve as an effective guide to budgeting decisions only if the plan and the operating budget were made compatible in format and scope (Eplan 1986).

The context for the recommendations of the 1976 CDP is set in early sections of the document which describe the planning process, present data on the state of the city, and establish the city's general and special emphasis goals. The bulk of the plan is then organized on the basis of 7 program areas covering the principal activities of the city government: urban development and neighborhood preservation, transportation, economic development, human development, recreation and cultural opportunities, environmental protection, and public safety. Each program area is broken down into subheadings which provide a focus for the plan's discussions. Goals are set forth for

each program area and subheading, and policies, objectives, and recommended actions are described which spell out, in steadily increasing detail, the methods to be used to achieve the goals. For example, the subheading Housing and Neighborhood Development under the program area Urban Development and Neighborhood Preservation has as a goal "broaden housing choices for all Atlanta's citizens." A related policy is to "encourage and give priority to those projects with sufficient size to accommodate a range of income groups and support a variety of amenities and services." This policy is further specified by objectives which include a recommendation to "increase the housing supply for all groups by building new housing at high-quality levels" and by recommended actions which relate the objectives to specific city activities, such as "support and expand the Neighborhood Housing Services program" (Atlanta, City of, 1976, p. 43). Because the 1976 CDP was presented in a format which translated traditional planning goals into specific recommended actions and because it attempted to include all operating aspects of the city, it provided a much stronger basis for developing budget policies than had its predecessor.

The last major revision in the format of the CDP occurred in the 1980 plan, after the planning bureau had been assigned responsibility for preparing the capital improvements program. Beginning in this year, the CDP was presented in three volumes. The first volume consisted of statements of goals and objectives for the city as a whole and for individual subareas and included both general principles and rather specific objectives for functional areas (Layton 1986). The second volume was the capital improvements program, which "purported to implement those goals and objectives by coming up with specific capital projects which would do so" (Layton 1986). The third

volume was made up of the plan maps, including land use plans for the entire city and for the NPUs.

Politics of the planning process. According to budget and planning commissioner Eplan, the CDP constituted Mayor Jackson's program for the city. It was "an expression of what the mayor's vision for the city [was], what it ought to become in the long-range" (Eplan 1986). George Berry, who served as one of Jackson's CAOs agrees that, "in an overall sense," the CDP represented the mayor's program for the city, but emphasizes that Jackson was primarily interested in the budgeting aspects of the plan (Berry 1986). None of the persons interviewed indicated that the mayor's office made any effort to influence the selection of issues to be addressed in the plan or the recommendations regarding those issues.

In the council's review of the CDP, the plan was first examined by appropriate council committees (development, human resources, public safety, transportation, city utilities, and finance). These committees made recommendations to the full council, which then considered and adopted the plan. In March 1976, the city council adopted an ordinance allowing the amendment of an adopted CDP. The ordinance was intended "to protect the character and integrity of the Plan and . . . [to] enable the City to keep the Plan current during the year of implementation" (Atlanta, City of, 1977b, p. 13). Plan amendments could be proposed by the mayor or by council members and could include the addition or deletion of projects or programs; changes in the funding levels, implementation schedules, or priorities of projects or programs; additions or deletions of parcels for rezoning; and other changes resulting from council actions that took place

after adoption of the CDP (Atlanta, City of, 1977a, p. 12). A former council member recalled that the amendment process was used infrequently, mostly on land use and zoning issues; budgeting considerations seldom caused changes in the CDP (Bradley 1986).

According to people who have served on the city council, the legislative body gave serious consideration to the adoption of the CDP (Bradley 1986, Guthman 1986). The council's adoption of the NPU system, its changes in the schedule for preparing the plan, and its institution of procedures for amending an adopted plan testify to the significance it attached to the CDP. On the other hand, the council's debate of the individual plans apparently was not of the level that would be expected to surround the adoption of a central policy document that would guide the actions of the city government. From 1974 through 1982, *The Atlanta Constitution* included one article which mentioned (as a sidelight to the main topic of the article) council adoption of a CDP, but the article gave no details of what issues were considered controversial or whether there was any debate at all (Lomax 1978). In contrast, budgeting decisions and the political debates attending them were major news items in every year. Ira Jackson, long-time alderman and council member, corroborated the fact that the council did not consider adoption of the CDP as a major step in setting city policy, saying "there are four or five people [among the 18 council members] who really know what's in the comprehensive development plan" (Jackson 1986).

The opinions of present and former council members differed regarding the types of issues on which the body focused when considering the CDP. According to Ira Jackson (1986) the debate centered on transportation issues. Richard Guthman (1986)

said that the plan's land use recommendations were the issues most seriously considered by the council. According to Panke Bradley (1986) the council focused both on land use and the budgeting implications of the plan. This difference of opinion regarding which aspects of the CDP were important may indicate that individual council members examined different portions of the plan and that the CDP thus received thorough scrutiny in the council. However, there is strong reason to doubt that city's designated policy making body openly discussed all of the recommendations of the plan and the interrelationships among them. In the absence of that type of review, it is questionable whether the plan could be said to constitute central policy and whether it could carry enough weight to guide other, more overtly political decisions.

Linking the plan and the operating budget

Although the new city charter had called for a relationship between the CDP and the capital budget, the Jackson administration decided to focus initially on linking the CDP and the operating budget. This decision was undoubtedly a response to the political environment of the time. The new mayor, perceiving that his primary responsibility was to institute the strong-mayor form of government, saw executive control of the operating budget as a necessary element for ending the old aldermanic system and establishing the mayor's control over the administrative departments. There was no such urgent incentive for asserting executive control over the capital budgeting process.

The theoretical arrangement for implementing the planning and budgeting requirements of the charter and the administrative reorganization called for the Department of Budget and Planning to prepare the annual CDP and to assist the mayor in formulating budget policy. The Department of Finance was responsible for preparing the city's annual budgets. According to the concept, a widely debated and officially adopted CDP would establish the framework for all decisions affecting the future of the city. The Department of Budget and Planning would translate the plan's recommendations into broad policy statements relevant to immediate budgeting decisions, and the Department of Finance would prepare detailed operating and capital budgets based on those policies.

This theoretical construct could not work, however, in its political environment. The Department of Finance, with its long-standing influence over budgeting decisions and its established processes for preparing the budgets, was unwilling to act merely as the translator of policies set by what it considered the amateurs and newcomers of the Department of Budget and Planning. Many members of the city council supported the finance department on this issue, partly because they had more confidence in that department's competence in fiscal matters, partly because they felt that the dual-reporting arrangement gave them more control over that department, and partly because they realized that, in this case, their interests, as well as the finance department's, would be served by keeping the planning and budgeting decision processes as separate as possible. The council members, realizing that the days were gone when they could intervene in the day-to-day activities of the operating departments, determined that their influence over administrative activities depended on their control of the operating budget

(Jackson 1986). That control was threatened by a process in which the pragmatic, specific, and familiar decisions they made in budgeting would be constrained by decisions they had made earlier in the vague, theoretical, and unfamiliar realm of planning. From their viewpoint, "a strong comprehensive planning process which got translated into budget priorities would tend to limit the administrative powers of the council, . . . would tend to set them out of the action" (Armentrout 1986).

Mayor Jackson and his planners did not retreat in the face of this opposition. The mayor was adamant in his conviction that a true executive operating budget was a necessary component of the strong-mayor system. He also firmly believed that such a budget could not be prepared by the Department of Finance, both because of the dual-reporting arrangement and because of the entrenched power of finance director Davis. His response, then, was to expand the budget policy role of the Department of Budget and Planning so that its recommendations were too concrete to be easily ignored. Instead of simply using the CDP as a basis for developing policies to guide the finance department in preparing the operating budget, the Department of Budget and Planning actually engaged in budget preparation activities of its own. Under the continued strong advocacy of the mayor, the department took on progressively more responsibility for preparing the operating budget as the competence of its budgeting staff increased. By the end of Jackson's first term, responsibility for preparing the operating budget had been officially transferred from the Department of Finance to the Department of Budget and Planning.

Evolution in the process for preparing the operating budget. Every operating budget prepared during the Jackson administration was developed using essentially the same 13-step process (Secrest 1981):

1. The mayor and his chief aides developed budget goals and priorities (usually occurred about mid-June).
2. The mayor's budget message (including a statement of goals and priorities, instructions, and budget request forms) was sent to the administrative departments (usually about the first of July).
3. Administrative departments prepared their budget requests.
4. Departmental requests were sent to the central budget office(s) (usually about the end of August).
5. Staff members of the central budget office(s) reviewed and evaluated the departmental requests.
6. The central budget office(s) submitted budget recommendations to the Mayor (usually in late-October).
7. The mayor chaired meetings to review the budget recommendations.
8. The mayor's recommended budget was presented to the city council and referred to the finance committee. (The charter required this be done no later than the second council meeting in January; it typically occurred around the first of December.)
9. The council's finance committee reviewed the recommended budget and held a public hearing on it.

10. The Budget Commission (including the mayor, chairman of the council's finance committee, the director of finance, and two council members) produced an estimate of the revenues that would be available to the city in the budget year. (The charter required that this be done by December 31; it was usually done about the first of December.)
11. The finance committee prepared a recommended budget ordinance and submitted it to the full council.
12. The council adopted a budget ordinance and sent it to the mayor. (The charter required adoption of the ordinance no later than the second council meeting in February; it was usually adopted in early- to mid-February.)
13. The mayor signed or vetoed the budget ordinance within eight days, otherwise it would take effect without his signature. He could also veto specific items of the ordinance.

These steps changed little during the evolution of the budget preparation process under Mayor Jackson. Changes, instead, involved the assignment of responsibilities for performing specific steps, particularly those steps occurring before the mayor's recommended budget was presented to the city council. Initially, Department of Finance continued to be officially responsible for preparing the mayor's recommended budget, while the Bureau of Budget Policy and Evaluation in the Department of Budget and Planning was assigned responsibility for assisting in the development of budget priorities and reviewing the recommended budget for conformance with the CDP (Merriner 1975d). The mayor, however, believing that a true executive budget could be prepared

only by a staff that reported solely to him, expanded the mandate of the Bureau of Budget Policy and Evaluation and turned to this agency for preparation of his recommended operating budget (Matthews 1986).

The result was a rather untidy process, in which two separate budget preparation efforts took place simultaneously (Jackson 1986, Matthews 1986). The finance department was responsible for sending out the mayor's budget instructions to the operating departments. The departments then returned their budget requests to the finance department which assembled them and provided copies to the Bureau of Budget Policy and Evaluation (Eplan 1986, Matthews 1986). At that point, the staffs of the two budgeting agencies began independent negotiating sessions with the operating departments to adjust the requests to match the available revenues and budget priorities (Matthews 1986). Each agency then prepared a recommended operating budget, and both budgets were submitted to the mayor and council.

Understandably, the initial relationship between the budgeting staffs of the two departments was not a smooth one. As noted by one participant, "a certain amount of . . . bad relationship was built into the organizational structure and the process" (Anderson 1986). Eplan (1986) reported that finance director Davis and his administrators felt that budget policy should be developed within the Department of Finance and resented the role played by the Department of Budget and Planning. In the beginning, this antagonistic attitude trickled down through the ranks. Anderson (1986) recalled that, at first, the budget analysts of the two agencies were reluctant to share information, fearing that their counterparts in the other budgeting office would use it to support recommendations in opposition to their own.

This situation began to change once the first budget had been prepared. While the relationship between the two departments remained tense at the administrative level, participants at the staff level began to see the advantages of a more cooperative approach (Eplan 1986, Anderson 1986). John Matthews, who served as a budget analyst for the Bureau of Budget and Policy and Evaluation recalled (Matthews 1986) that the staffs of both agencies had been surprised to discover that there had been little difference in their budget recommendations in the first year. (The similarities may reflect the fact that the operating budget was dominated by expenditures necessary to provide essential ongoing services and allowed little room for changes in programs.) This discovery led to greater trust and the beginning of cooperation between the staff members of the two departments. In preparing the 1976 operating budget (the second under Mayor Jackson), the staff members of the two budgeting agencies began to coordinate their activities. Eventually, the two staffs even held joint meetings with the operating departments to discuss the departments' budget requests and, in some cases, even divided their responsibilities to permit more efficient use of their time (Matthews 1986). Rick Anderson, a budget analyst in the Department of Finance at the time, agreed that an important aspect in the evolution of the planning-budgeting linkage was the steadily increasing confidence which the staffs of the two budgeting agencies had in each other (Anderson 1986).

This cooperative approach allowed the two agencies to agree on most issues before the mayor and the council got involved in the budgeting process, and it resulted in greater satisfaction on the part of the operating departments since they each received assistance from two budget analysts (Matthews 1986). The arrangement was also

effective in focusing debate on significant budgeting issues. When the two agencies disagreed, the issue of contention usually involved changes in programs. In these cases the issue would be referred to the mayor, and he would decide how the issue would be addressed in his recommended budget (Matthews 1986). If not satisfied with this resolution, the finance department could raise the issue before the council during budget review.

The first significant change in the budgeting process occurred during preparation of the 1976 budget. Previously, the involvement of the city's operating departments had officially ended once they submitted their budget requests to the central budget office. The departments had not participated in the negotiations between the central office and the mayor in developing the mayor's recommended budget. During preparation of the second budget under Mayor Jackson, however, Budget and Planning Commissioner Eplan succeeded in having the heads of the operating departments included in the negotiations. Each department head defended his budget request in a closed-door session with the mayor (Merriner 1975a). Eplan (1986) reported that the department heads were initially uncomfortable with this new role, but soon realized that it increased the likelihood that their departments' needs and priorities would be understood by the mayor and reflected in his budget recommendations.

By the time work began on the 1978 budget, official responsibility for preparing the operating budget had been redistributed. Operating budgets in Atlanta are viewed as consisting of two parts: (1) a base element which includes the minimum expenditures necessary "to cover the normal, routine, recurring costs of providing services or conducting activities at the currently established levels," and (2) a program change

element which covers "new programs or services (any activity not authorized and funded in the current budget), or expansion or contraction of existing programs" (Anderson, 1980). For the 1978 budget, the Department of Finance continued to prepare the base element, but responsibility for the program change element was transferred to the Bureau of Budget Policy and Evaluation of the budget and planning department (Shannon 1977).

The distribution of budgeting responsibility was further changed before work began on the 1979 budget. In June 1978, the city council approved a charter amendment transferring budget preparation responsibility from the Department of Finance to the Department of Budget and Planning (Lomax 1978). The revised charter (sections 8-108 and 8-132) made clear that assistance from the finance department was expected throughout the budget preparation process. However, the principal role of the Department of Finance was to act as the council's staff as the legislators reviewed the mayor's recommended budget (Anderson 1986).

A final, significant change in operating budgeting occurred in 1980, with the institution of a "fast-track" budget process. This process, which was used during preparation of the 1981 and 1982 budgets, brought council members into the budgeting process long before the mayor's budget was presented to the council. Council members were invited to attend the executive budget hearings during the summer, and the mayor presented his budget for council review five weeks earlier than before (Wells 1981a). The council, on its part, agreed to adopt the budget by the end of December, but reserved the right to reconsider if the estimate of available revenues changed before the legal cut-off date of mid-February (Wells 1980). The fast-track process enabled the

executive and legislative branches to work more cooperatively in producing the operating budget. The effectiveness of the process was evident in the lack of conflict during council's budget review (Gulliver 1981) and in the fact that the adopted budgets were much closer to the mayor's recommendations (Anderson 1986).

The assignment of budget preparation responsibilities to the Department of Budget and Planning provided an unprecedented opportunity to integrate the city's planning and budgeting operations by placing both under the purview of a single department. It seems, however, that this integration was never really achieved. While the Department of Budget and Planning was responsible for preparing both the CDP and the operating budget, different bureaus of the department handled each of the two activities, and there was apparently little coordination between them. Most former administrators in the department agreed that there was an adversarial relationship between the two bureaus. Dick Layton, who served as Commissioner of Budget and Planning from 1979 to 1983, ascribed the lack of cooperation to the different orientations of the two staffs and to different perceptions of their functions (Layton 1986). Eplan (1986) agreed, recalling that he "had to induce a relationship [between the two bureaus]; it wasn't a natural relationship." Coordination between the bureaus was further hampered by the fact that they were physically separated (Matthews 1986, Eplan 1986). The Bureau of Budget Policy and Evaluation was located in City Hall, while the Bureau of Planning was located in another building several blocks away.

Several participants pointed out that the department's commissioner was responsible for ensuring coordination between the two bureaus (Bradley 1986, Dortch 1986, Layton 1986). However, both commissioners interviewed for this study indicated

that the goal of coordinating the activities of the two bureaus was thwarted by the practical problems involved in producing the annual plans and budgets. Commissioner Eplan, for instance, originally intended to encourage cooperation between the planners and the budget analysts by rotating personnel between the two bureaus. He was forced to abandon that plan, however, when he discovered that the effectiveness of the budget analysts in the Bureau of Budget Policy and Evaluation depended on their intimate knowledge and understanding of the activities of the operating departments whose budgets they prepared and their close relationships with their counterparts in the departments (Eplan 1986). Commissioner Layton, on the other hand, found that the lack of enough competent staff members, particularly in the budgeting bureau, required that he assign all of his best personnel to the essential tasks of producing the plans and budgets (Layton 1986). He did not have adequate staff resources left over to address inter-bureau coordination. The unfortunate consequence of the lack of coordination between the two bureaus was that the department never developed a team approach to meeting its planning and budgeting responsibilities (Bradley 1986).

In this arrangement, there is some difference of opinion regarding the degree to which the CDP, developed by the Bureau of Planning, influenced the recommended operating budget, prepared by the Bureau of Budget Policy and Evaluation. Eplan (1986) insisted that, while he was commissioner, a linkage did exist between planning and budget policy which enabled him to use the budget to implement the plan. Panke Bradley (1986), who served as the director of planning under Commissioner Layton, indicated that Layton was quite successful in translating the recommendations of the plan into budget proposals. Carole Ann Dortch, who served as director of budget policy

and evaluation under Layton, disagreed, saying that CDP had no effect on operating budget decisions (Dortch 1986).

Evolution in the format of the operating budget. Before Mayor Jackson took office, Atlanta's budgets had always been prepared, reviewed, and approved in line-item format. This format was not acceptable to Mayor Jackson, probably because it diverted the city council's attention away from the policy concerns that had been assigned to it by the new city charter and toward the administrative details that had so preoccupied the former board of aldermen. Less than a year after taking office, the new mayor directed finance director Davis and budget and planning commissioner Eplan to work with the council's finance committee to develop recommendations for a "program budgeting and evaluation" system to provide information for determining what city programs were accomplishing and for evaluating the effect of alternative funding levels on city services (Jackson 1975).

It is likely that Eplan influenced the mayor to call for the development of a program budget. Eplan (1986) reported that in supervising the preparation of the mayor's recommended budget during the 1974, he found that traditional plans and budgets were so different in terminology and format that they could not be used effectively for coordinated action. This realization led Eplan to develop what he referred to as a "docking system" to provide a higher degree of coordination between the CDP and the mayor's budget. In this system the recommended operating budget prepared by his department was produced in program format using the same program headings as the CDP. When the Bureau of Budget Policy and Evaluation received the

budget requests from the operating departments, they renumbered them to correspond to the program areas and subheadings used in the CDP (Eplan 1986). The budget analysts, then, could see how well the requests conformed to the plan and could identify issues where some adjustment in a department's proposed activities was needed to further the goals established in the CDP. According to Eplan, this allowed the budget analysts of the Bureau of Budget Policy and Evaluation to take a more active and creative role in developing the budgets rather than simply to react to the budget requests submitted by the departments (Eplan 1986).

Eplan stressed that an important benefit of using a common format for the CDP and the recommended operating budget was the ability to base decisions on programs that cut across departmental lines (Eplan 1986). This ability, a critical attribute of a true program budget, is important because coordinated action by several departments is often necessary to realize a particular goal. On the other hand, Rick Anderson, then a budget analyst in the Department of Finance, maintained that the recommended budget produced by the Bureau of Budget Policy and Evaluation was not a true program budget, but one organized on a basis that differed only slightly from the organizational structure of the government (Anderson 1986). This subtle but important distinction between the budget produced by the Department of Budget and Planning and a true program budget was due principally to the limitations of the computer system which contained the city's financial information (Anderson, 1980). Anderson (1986) explained that all financial data in the system was keyed to cost centers which reflected the administrative organization (i.e., no cost center related to more than one department). In preparing a budget based on programs, the Bureau of Budget Policy and Evaluation

would inevitably find that activities of some cost centers related to more than one program. Since the information system did not permit dividing the financial information regarding a cost center, the budget analysts would be forced to include all of the cost center's activities in one program area (Anderson 1986). Because of this restriction, Anderson believed that it was impossible to prepare a true program budget, and a budget organized on the basis of program areas was necessarily imprecise and, in some cases, inaccurate. Nevertheless, he agreed that the budget format developed by the Department of Budget and Planning was an important attempt to change the focus of budgeting debates from financial aspects to programs and policies (Anderson (1986).

Regardless of whether the budget produced by the Department of Budget and Planning was a true program budget or not, the city council wanted nothing to do with it. The council, in its desire to maintain direct control over the operating departments, was primarily interested in the fiscal and administrative control aspects of the budget, and it insisted that the budget be presented for council review in a line-item format (Anderson 1986).

Initially, the Department of Finance prepared the line-item budget. By all accounts, it was not simply a translation of the program budget into a different form; it was prepared in a separate but parallel process (Jackson 1986, Matthews 1986). Consequently, two distinct budget preparation efforts took place simultaneously in the city, with the Bureau of Budget Policy and Evaluation producing a program budget to establish the mayor's recommended policies, and the Department of Finance producing a line-item budget for council review. After budget preparation responsibilities were officially transferred to the Department of Budget and Planning in 1978, this department

prepared the recommended budget in program format then translated it into line-item format. Both formats were submitted to the city council for review (Anderson 1986).

Political aspects of operating budgeting. The distribution of financial power in the city government was the issue at the root of most budgeting-related debates during the Jackson administration. Regardless of the topic being argued, the real point of contention was, as one journalist noted, "the essence of government—how do tax dollars get spent and who decides how to spend them" (Merriner 1974h). In the wake of the new charter there were three centers of financial power in city government: the mayor, the finance director, and the finance committee of the city council. The evolution of operating budgeting during Mayor Jackson's tenure cannot be separated from the struggle for dominance among these centers.

Initially, the struggle for budgetary control pitted finance director Davis, the established financial power, against Mayor Jackson, who had, in addition to the institutional powers given him by the new charter, a forceful personality and a strong vision of how he wanted budgeting to operate. The mayor was determined either to gain control over Davis' department or to bypass it, and Davis sought and received the city council's support in opposing the mayor's initiatives. In these early days, the city council was not a cohesive force; it was reeling under the change in its membership brought by the elections of 1973 and the change in its responsibilities and powers brought by the new city charter. Eventually, however, the body resolved these uncertainties and the council's finance committee replaced the finance director as the

main counterforce to the mayor in budgeting matters. The committee continued to rely heavily on the finance department as a supporting ally.

The conflict between Mayor Jackson and finance director Davis apparently stemmed from a combination of institutional difficulties and personal differences. The two men had fundamentally different views of their roles. Richard Stogner, who served as a deputy director under Davis and as a CAO under Jackson, reported that Davis, relying on the considerable power he had accumulated during his years as finance director, was reluctant to recognize the implications of the strong-mayor system. His outlook was "if the mayor wants to talk to me he can call me up; I'm here, and mayors come and go" (Stogner 1986). Councilman Ira Jackson recalled that the mayor's attitude was similarly uncooperative: "He [Davis] is not going to be my friend, so I won't talk to him" (Jackson 1986). By some reports, Davis (much to the mayor's chagrin) took advantage of the dual-reporting arrangement to play the mayor and the finance committee of the council against each other to get his own programs approved (Layton 1986, Eplan 1986).

Throughout his tenure Mayor Jackson tried to have the city charter revised so that the finance director reported solely to the mayor (Gray 1976, Martin 1978a, Allen 1979, Wells 1981b). In addition, the mayor was reportedly reluctant to appoint Davis to his cabinet when he took office (Shannon 1977), and each time the finance director's term expired, reports spread that Jackson would not reappoint Davis to the post (Lawrence 1977a, Tucker 1980). Invariably, the city council made it clear that any replacement appointed by the mayor would not be confirmed by the council.

The mayor's attempts to either gain complete control over the finance director or replace Charles Davis in the post were notably unsuccessful. Davis was simply too powerful, and his interests regarding these issues coincided with those of the city council. Davis enjoyed the long-term respect and support of the downtown business community (Hiatt 1980, Allen 1985), a power center with which the mayor frequently found himself at odds (Allen 1980, 1981; Wells 1981c). Davis apparently commanded the respect of other groups within and outside the city. In 1976, at the height of his struggle with the mayor, Davis was elected president of the Municipal Finance Officers of the United States and Canada (Anonymous 1976a) and received the Phoenix Award from the Atlanta City Employees' Club for outstanding service to city government (Anonymous 1976b). The city council, smarting from the reduction in its administrative powers under the new charter, rejected any measures, such as elimination of the dual-reporting arrangement, that would further decrease its control over the administration as well as any changes, such as the replacement of the powerful Charles Davis, which would remove impediments to Jackson's attempts to establish firmly the strong-mayor system.

Since Jackson could not, then, use a direct approach to gain control of the preparation of the operating budget, he sought to bypass the Department of Finance by creating the Department of Budget and Planning and pushing steadily for increases in its budget-preparation responsibilities (Layton 1986). The city council, while by no means in favor of the mayor's creation of his own budget preparation staff, was unable to prohibit it under the powers assigned to the council by the new charter. The tool available to the council for resisting the mayor's efforts was, ironically, the operating budget, which was now the body's most effective means of influencing the administration.

Former budget and planning commissioner Layton (1986) recalled that, from the beginning of Mayor Jackson's tenure, some council members would "make annual forays into the budget trying basically to cut the Bureau of Budget Policy and Evaluation out, basically to emasculate the executive budget function." Former council member Bradley (1986) agreed that "there was always an undercurrent [on the council] of undermining that office."

In early debates over funding for the mayor's budget staff, the council's most frequently voiced complaint was that the new bureau duplicated functions already performed by the Department of Finance (Merriner 1974b, 1974c). Eplan attempted to convince the council of the validity of the concept of separating the formulation of budget policy from the preparation of a detailed budget (Merriner 1974h), but the council members either were unable to understand the distinction (Eplan 1986) or were unwilling to accept it (Jackson 1986).

Within a few years the council had developed an understanding of the role assigned to it by the charter (though it had not necessarily reconciled itself with that role), and had sorted out the relationships among individual council members (Stogner 1986). At the end of 1978, Q. V. Williamson became chairman of the council's finance committee. Williamson, who had been Mayor Jackson's chief proponent on the council in previous years, had fallen out with the mayor and now strongly opposed many of his policies (Jackson 1986). The new finance committee chairman was reportedly fully as strong-willed and independent-minded as Jackson and Davis, and none of these three financial powers was inclined to compromise and work out their differences (Anderson 1986). Williamson reportedly took advantage of his position in the center of the debate

between the mayor and the finance director "to consolidate negotiation and decision power in the finance committee" (Jackson 1986). As a result, the chairman of the council's finance committee replaced the finance director as the leader of the opposition to the mayor's attempts to establish a strong executive budget preparation function. Despite the change in their relative roles, Williamson and Davis continued to work as allies in a struggle to limit the mayor's control over the budget (Hiatt 1980).

Debates over the assignment of budgeting responsibilities continued after this subtle shift in financial power, but they now hinged openly on the key question of who would control the preparation of the budgets. Council members, especially Williamson, expressed concern that the growing role of the Bureau of Budget Policy and Evaluation threatened their ability to influence the budget and, most particularly, their ability to obtain all the information they needed regarding the budget proposals (Martin 1978b, 1978c; Crawford and Green 1979). By the end of 1979, relations between the mayor and the council reached what both sides agreed was the low point in Jackson's tenure when the mayor was barred from giving his budget address to the council (Hiatt 1979). (The city charter requires the council's unanimous consent before anyone who is not a member of the council can address the body.)

By this time, however, the mayor had succeeded in having the official responsibility for preparation of the operating budget transferred from the Department of Finance to the Department of Budget and Planning. In contrast to the distance which the mayor maintained between himself and Davis, he reportedly embraced the commissioner of budget and planning as one of his closest advisors. Leon Eplan, who served as commissioner of budget and planning throughout Jackson's first term saw his

department as "an extension of the mayor's office, . . . as the policy arm of the mayor's office" (Eplan 1986). Dick Layton, who headed the budget and planning department for most of Jackson's second term, felt that he, the CAO, and the chief of staff constituted the mayor's inner circle of advisors, and he "never had any question at all" about the confidence the mayor had in him and his department (Layton 1986).

Jackson apparently relied largely on his close relationship with the commissioner of budget and planning to ensure that his policies and priorities would be reflected in the executive operating budget produced by that department. By all reports, the mayor had little direct involvement in the preparation of the budget. Former CAO Stogner (1986) recalled that the mayor's direct involvement in budget preparation was mainly limited to drawing up the overall guidelines which formed the basis of the budget memorandum that was sent to the operating departments at the beginning of each year's budget cycle. The main thrust of these guidelines was normally an admonition that, due to tight revenues, departmental budget requests should be kept to a minimum (Stogner 1986). Once the departmental requests had been reviewed by the Department of Budget and Planning, the mayor participated in closed-door sessions with the heads of the operating departments during which the department heads defended their requests (Eplan 1986, Merriner 1975a). These meetings gave the mayor an opportunity to tailor the budget to conform to his agenda of programs.

Jackson was largely frustrated in his desire to use the operating budget to accomplish his program for the city. His primary programmatic goal was probably that of changing city programs to better serve the needs of minorities and the poor (Allen 1985). The fact that many members of the new city council shared his concerns

(Stogner 1986) probably encouraged him to believe he could succeed in making these changes. He discovered, however, that there was a limit to what the city could do in that regard. In the early 1950s, Atlanta had entered into an agreement with Fulton County which assigned the city responsibility for line-type services (police and fire protection, water and sewer services, etc.) and assigned the county responsibility for social services (Local Government Commission of Fulton County, 1950). (The city later expanded into DeKalb County, and, through informal agreement, divided responsibilities with that county in essentially the same way.) Despite the inclinations of the mayor and other elected officials, "the budget could not be used as a vehicle to address a lot of social concerns . . . because we did not have that responsibility in the budget, and, in fact, were legally excluded from making major expenditures in terms of social welfare programs" (Stogner 1986).

If Mayor Jackson did not seem to involve himself heavily in the preparation of the budget, he took an active role in the adoption phase when he strongly defended the executive budget before the council (Bradley 1986). His advocacy was apparently essential; by all accounts, the council received the executive operating budget with some skepticism for most of the years he was in office. Former council member, Panke Bradley (1986), recalled that the council treated the mayor's recommended budget the same way it treated most planning documents—"they were willing to look at it, but it was as though, 'Now we're going to [put it aside and] take up the things we vote on.'" By all accounts, the mayor's budget was so drastically revised by the Department of Finance during council review that the adopted budget bore little resemblance to the one the mayor had submitted (Glisson 1986, Anderson 1986, Davis 1986, Bradley 1986, Dortch

1986). Some knowledgeable observers (Glisson 1986, Anderson 1986) maintained that the situation amounted to the mayor's budget being thrown out by council and "the real budget" then being put together by Charles Davis.

There were several reasons for the council's negative attitude toward the mayor's budget recommendation. Among the chief reasons was, of course, their desire to exert as much control as possible over the budget and the administration. In addition, the council was opposed to the idea of basing the budget on the city plan; they lacked faith in the financial ability of the staff of the Department of Budget and Planning; and they believed that the budget produced by that department was influenced by the NPU program, which the council held in increasingly poor regard.

According to Ira Jackson (1986), a long-term member of the city council's finance committee, many council members "were of the opinion that, under the new charter, the control [of the government] was in control of the budget," and he admitted that many of the council's budgeting decisions during the Jackson administration were made less for the purpose of setting good policy than for the purpose of establishing itself as a force to be reckoned with. During budgeting debates early in the Jackson administration, the council resisted the executive budget because it was seen as posing a threat to finance director Davis (Bradley 1986), who the council saw as an ally in its struggle against the strong-mayor system. Later, when finance committee chairman Williamson had replaced Davis as the mayor's principal adversary in financial matters, he rejected the executive budget in favor of one reflecting his own programs. One observer (Anderson 1986) noted that Williamson used his power heavily and that under his leadership there was a real attempt to ram budgets through the council, to stonewall

questions, and to make the budgeting process complicated. Tensions eased somewhat during the final two years of the Jackson administration when Williamson was replaced as finance committee chairman by Ira Jackson, who no longer had to be concerned with consolidating power in his position. Ira Jackson's emphasis was on opening the budgeting process up and ensuring that all council members had the information they needed to reach decisions that represented the consensus of the council (Anderson 1986).

The council's antipathy toward the executive budget was exacerbated by its lack of faith in the financial competence of the staff of the Department of Budget and Planning. This problem probably stemmed partly from the discrepancy between Eplan's intention that his staff would simply formulate budget policy and the reality that they engaged in the actual preparation of budgets. Eplan staffed his Bureau of Budget Policy and Evaluation with generalists and policy analysts whose lack of financial skills became apparent when they attempted to put together detailed budgets (Layton 1986). The council likely shared the view of an official in the finance department who saw the process as "a bunch of planners trying to do budgeting" and the results as budgets which were based on an "unrealistic view of how things mesh in government" (Glisson 1986). According to finance director Davis (1986), the council could often easily find flaws in the budget recommendations prepared by the budget and planning department. The council had complete confidence, on the other hand, in the abilities of its allies in the Department of Finance. One observer recalled (Berry 1986) that "it was more or less locked in from an image standpoint that, if you wanted to know anything about budgets, you called the finance department."

The city council's poor regard for the budgeting abilities of those who produced the executive budget was especially apparent during Jackson's first term when Leon Eplan, as commissioner of the Department of Budget and Planning, played a prominent role in defending the mayor's budget before the council. Eplan was highly respected as a planner (Berry 1986, Layton 1986, Matthews 1986), but his financial abilities impressed neither the council nor Charles Davis. One observer noted that, while Eplan was enthusiastic about the concept of linking planning and budgeting, his lack of interest in the financial details of the budget "hampered some initial efforts toward translating the plan into budget documents that leant some reality to it" (Layton 1986). When Eplan and Davis disagreed during the council's budgeting deliberations, it was almost always Davis who predominated (Matthews 1986, Armentrout 1986, Sweat 1986, Aldridge 1986, Layton 1986). Eplan's few successes in budgeting matters before the council usually came when Mayor Jackson felt strongly enough about the issue of contention to apply political pressure in Eplan's favor (Bradley 1986).

Eplan (1986) attributed his lack of success in the budget adoption phase to the council's failure to understand the concept of budget policy as distinct from budget preparation and execution. From his point of view, the system he had helped establish required the guidance of a planner who recognized this distinction and would strongly advocate the linking of planning to the formulation of budget policy (Eplan 1986). According to former council member, Bradley, this insistence on approaching budgeting from a planning perspective was partly responsible for the problems Eplan experienced with the council. She explained (Bradley 1986) that the council, on the one hand, tended to view planning as a sort of academic, nonpertinent exercise and that Eplan, on

the other hand, made little attempt to hide his poor regard for people who did not understand or like planning. Bradley concluded that "there was a mutual contempt there that was unfortunate."

Relations between the planning and budgeting department and the council improved somewhat during Jackson's second term when Dick Layton served as commissioner of budget and planning. (Eplan, who resigned in 1978, was actually succeeded by David Rivers who remained for only one year and who reportedly had little impact on the city's budgeting process [Layton 1986].) Before becoming commissioner in 1979, Layton had served for one year as the director of the Bureau of Budget Policy and Evaluation and one and one-half years as deputy CAO. Consequently, he, unlike Eplan, understood from the outset the political environment in which he would be expected to function (Matthews 1986). In addition, Layton was credited with taking a more diplomatic approach to budgeting, both in his dealings with the council (Bradley 1986) and in his dealings with the finance department (Glisson 1986). As commissioner, Layton strengthened the working relationship he had established with Charles Davis while director of Budget Policy and Evaluation (Glisson 1986, Layton 1986), and he encouraged his employees to maintain informal contacts with the staff of the Department of Finance during budget preparation (Glisson 1986). He also approached the council less didactically than Eplan had, feeling that "in order to get the mayor's program over, . . . you didn't gain anything by going in with a combative attitude" (Layton 1986). Most of all, however, it was Layton's financial ability that won him respect from the council and from finance director Davis (Bradley 1986). Layton admitted that, while his principal training was not in finance, he did have some financial

skills that enabled him to enjoy some success in debates with Davis before the council (Layton 1986).

Eplan, while emphasizing his great respect for Layton in the areas of public administration and finance, believed that the fact that Layton had no formal training or experience as a planner and was not a strong advocate of planning doomed the planning-budgeting linkage as he had conceived it (Eplan 1986). In Eplan's view, the linkage could work only if major decisions were made in the context of planning and then implemented through the budgeting process (Eplan, 1978). Layton (1986) admitted that he considered his department's budgeting responsibilities more important than its planning duties, but insisted that, regardless of theory, "the decisions were being made in the context of those budget deliberations, and that's what I kept my powder dry for." He noted that his department did not ignore planning and relied "to some extent" on the CDP to establish the context for the executive operating budget (Layton 1986). Bradley, who served as planning director under Layton, recalled that "planning was not his favorite part of government, but he believed in the linkage [between planning and budgeting] . . . and was very good at translating plans into terms that the council would relate to" (Bradley 1986). Eplan pointed out that, like Layton, Bradley had no formal training or experience as a city planner.

If Layton placed less emphasis on the CDP during budgeting, it probably pleased the city council. According to one source, the council had a dislike for the idea linking the plan and the budget that was rooted in its general opposition to the new charter. Bradley (1986) recalled that the council,

did not really understand the need for the combining of planning and budgeting. You have to understand that when the charter was approved by the General Assembly, it would have been voted down by the city

council. . . . So, the provisions of that sort--the linkage between planning and budgeting--were among those that were not particularly popular.

Council member Ira Jackson (1986), while admitting that "there was a lot about it [the linkage] that made sense, but we just would not allow it to work," attributed the council's opposition to the very idea of a linkage to their insistence on controlling the details of the budget. Council's attitude, he said, was "Don't tell me about your program; . . . [tell me] where you are going to spend the money."

Ira Jackson (1986) maintained that few council members understood the budgetary implications of the CDP during their consideration of the plan. Bradley (1986) disagreed, saying that the council's resistance to the planning-budgeting linkage stemmed partly from their recognition of the CDP as "a policy commitment" that could constrain their actions during budgeting deliberations. According to Layton, the council did not generally consider conformance with the CDP an important issue when making budgeting decisions. He recalled that,

some of the more enlightened members of the council would ask . . . whether or not the particular budget we had brought them conformed to the CDP. But I don't think that, even had the answer been 'No,' or 'Not quite,' that that would have been dispositive [sic] in terms of that deliberation (Layton 1986).

The council's rather antagonistic attitude toward the executive budget in general and the relationship between the CDP and the operating budget in particular stemmed partly from its dislike of the NPU system. According to Bradley (1986), "for the people on city council . . . that whole planning-budgeting [issue] carried with it a process that so included citizens that it diluted the power of the members of the city council." Other observers agreed that the council saw the NPU network as a competing center of power for making public decisions (Matthews 1986, Kennedy 1985, Sweat 1986, Lawrence

1977b). Other participants believed council members took a more personal view of the political threat posed by the NPUs and viewed the NPU system as a training ground for people who would challenge them for their council seats (Layton 1986). Apparently this fear was justified; a number of challengers, some successful, to incumbent council members emerged from the NPU movement (Aldridge 1986). By the end of Jackson's first term the city council and the citizen participation process "had become increasingly estranged" (Bradley 1986). The council was not inclined to look favorably on a budget (particularly one in an unfamiliar program format) which was based on a plan that reflected substantial input from the NPUs.

Linking the plan and the capital budget

Despite the charter's requirement that the CDP be used as "a guide" for the preparation of the CIP and capital budgets, in practice the plan had a less immediate impact on capital budgeting than on operating budgeting. The process for preparing capital budgets, like that for preparing operating budgets, evolved under Mayor Jackson. Initially, the CIP and capital budgets were prepared in much the same way as before 1974, but, as new political roles were sorted out under the charter and as the influence of the CDP grew, a stronger relationship developed between the plan and the CIP. By the end of Jackson's first term, the Department of Budget and Planning had been assigned primary responsibility for preparing the CIP and the capital budgets. During this evolution the role played by the CDP grew from a position of being merely one of

numerous sources for candidate capital projects to the position of being the primary yardstick by which projects were evaluated and priorities among them assigned.

Evolution in the capital budgeting process. In the years immediately following 1974, the Department of Finance continued to put together the CIP and the capital budgets using much the same process as before the new charter took effect. The principal difference was that the projects considered in the CIP were drawn not only from lists submitted by the operating departments and recommendations of elected officials but also from the actions recommended in the CDP. Projects drawn from the plan primarily reflected the requests of the NPUs. The Department of Budget and Planning had no involvement in the preparation or review of the CIP and capital budgets (Matthews 1986).

According to finance director Davis, his department continued to work informally with elected officials in developing the CIP to assign priorities to the capital projects requested within each available funding source (Davis 1986). People who served in the Department of Budget and Planning maintained that this assignment of priorities and relation of projects to funding sources did not take place (Matthews 1986, Aldridge 1986, Layton 1986). The CIP, in their view, was intended primarily to satisfy bond rating agencies, not to assist local decision makers (Matthews 1986). In this situation, the planners felt that the CDP and CIP "could not serve and did not serve as any guide to the actual making of [capital] budgets, to the actual preparation of those appropriation ordinances that were the implementing actions of the city" (Layton 1986). In their view, capital improvements were not made as part of a rationally defined

program but simply reflected the political balance obtaining at the time each funding decision was made.

Meanwhile, the CDP became more refined as each yearly planning cycle was repeated. As the city planners became more competent in dealing with financial issues (Anderson 1986), they provided more detail with each successive version of the CDP (Gladin 1986). Beginning with the 1977 CDP, the planners listed capital projects in a separate appendix to the plan so that they would be easier to track through funding and implementation phases (Atlanta, City of, 1977a).

From the point of view of the citizens of the city, the mayor's promise of a link between planning and budgeting provided the primary impetus for participating in the NPU process (Willis 1986). It is not surprising, then, that participants in that process were not content with getting their proposals incorporated into the CDP and wanted a voice in budgeting deliberations as well (Eplan 1986). The neighborhoods initially focused much of their attention on social problems that the city government was not authorized to address (Davis 1986) and on issues that could be addressed only through the city's extremely tight operating budget (Matthews 1986). One of the major roles of the neighborhood planners was to educate the NPU representatives about the financial aspects of city government and to help them determine "which pots of money you can and which ones you can't [spend] for which purposes" (Kennedy 1986). The planners stressed that the neighborhoods would be more successful if they concentrated on capital projects which could be funded by the city's \$4 million annual general obligation bond allotment, the city's *ad valorem* tax money which was reserved for park improvements, or Community Development Block Grant funds received from the federal government

(Kennedy 1986). The NPUs soon developed some understanding of the relationship between their concerns and the subtleties of municipal financing, and within a few years most of their planning recommendations involved capital investments (Layton 1986).

Although the NPUs had learned that the city's capital budgets afforded some flexibility for responding to neighborhood requests, they had difficulty understanding that the degree of flexibility was still quite limited; that is, that the choice was between the operating budget, which had room for virtually no new initiatives, and the capital budget, which had room only for relatively few and modest new items (Layton 1986).

Consequently, the NPU recommendations frequently took the form of unrealistic "wish lists" (Kennedy 1986) which called for funds far exceeding those available in the city's capital budgets. The Department of Budget and Planning assembled all of the NPU requests and published them in the CDP. Since the department had no responsibility in preparing the CIP or capital budgets, it did not attempt to eliminate unrealistic or inappropriate requests before publishing them in the CDP (Davis 1986).

Thus, the CDP in these early years provided little meaningful guidance to a city council faced with decisions regarding the CIP and capital budgets. The council, then, essentially ignored the recommended actions of the plan and made capital budgeting decisions on the basis of other considerations (Stogner 1986). The NPUs became increasingly dissatisfied with a process which implemented very few of their proposals (Davis 1986). They saw the Department of Budget and Planning as their ally, since all of their recommendations were incorporated into the CDP, and they provided the department's commissioner with a political constituency, whether he sought one or not (Matthews 1986). Their dissatisfaction they focused on the City Council, which they

held accountable for the failure to fund the neighborhood-requested programs (Bradley 1986). The council found itself in the uncomfortable position of having to balance the conflicting demands of making responsible financial decisions and responding to the politically popular NPU system. (It is interesting to note that none of the people interviewed indicated that any significant political rifts developed within the citizen participation movement as the NPUs competed for scarce capital funds. Ordinarily, such competition would be expected to lead to conflicts among the competing groups. Perhaps this situation was a result of the fact that all of the NPU requests were included in the CDP.)

The council's frustration reached the boiling point in 1978, when it repealed the 1979 CDP which it had previously adopted and shepherded the planning bureau through the preparation of an acceptable replacement. The revised plan explains that this action was necessary to bring the 1979 plan and budgets into "very close agreement" because of the "severe financial constraints" facing the city (1979 CDP, p. 8). One planner who was involved in the process recalled (Aldridge 1986) that the council members actually had more specific objections to the CDP: "it had literally become a wish list; it did not have any sense of priority; it really didn't carry a sense of urgency between [sic] the one-, five-, and 15-year items—they were all running together." The council apparently had decided that one necessary step in dealing with the unrealistic expectations of the NPUs was to require the planners, who were the neighborhoods' friends, to introduce some discipline into the NPU proposals before they were published in the CDP.

The council took another and more significant step in that direction later in the same year by transferring responsibility for preparing the CIP and capital budgets from

the Department of Finance to the Department of Budget and Planning. Within the department, these new responsibilities were assigned to the Bureau of Planning. Since the planners had such a close relationship with the neighborhoods, the council seems to have reasoned, let them take on the task of translating the myriad NPU requests into some sort of meaningful and fundable program.

The apparent goal of the Department of Budget and Planning in performing these new responsibilities was to use the CDP to drive the capital budgeting process, and the planners identified the CIP as the key link between the plan and the actual capital budgeting decisions. In Atlanta's interfund accounting system there was no single capital budget, and different capital budgeting processes and schedules were used, depending on which fund was involved and on the nature of the expenditure. Capital expenditures for maintaining, renewing, and extending the city's existing infrastructure were normally funded by the annual general obligation bond allotment. These expenditures were budgeted in an annual, cyclical process at the same time as the operating budgets. New initiatives, which were often associated with one of the specialized funds (e.g., Water and Sewer Fund or Airport Fund), were financed through the sale of revenue bonds or special, voter-approved general obligation bonds. The budgeting of these types of capital projects did not take place on any regular cycle but occurred whenever the city received the proceeds from the sale of the bonds (Layton 1986). With so much variability in capital budgeting processes and schedules, the planner's determined that, "the CIP was the only document in the entire city you could go to and get some idea of what the real capital budget for the city was" (Layton 1986).

The planning bureau, then, concentrated on the capital improvements program as the key element for linking the plan with the capital budget. An effective linkage required that (1) all capital items be related to the objectives of the plan, and (2) an evaluation system be developed to select the fundable set of projects for the CIP that would best further those objectives. These new requirements implied changes in the processes used by the NPUs and operating departments in recommending projects for capital funding. The planners began asking each NPU to assign priorities to the projects it recommended. This assignment of priorities not only helped the planners develop the CIP, it also helped make the citizens aware that the whole budgeting process was one of making choices, of deciding between actions that were needed right away and those that could be deferred (Kennedy 1986). The Bureau of Planning forwarded each of the NPU requests to the appropriate operating department for an estimate of the project's cost and comments on its feasibility and relationship to other city initiatives (Anderson 1986). These estimates and comments were considered by the planners as they evaluated projects for inclusion in the CIP.

A more formal mechanism was used to effect needed changes in the project requests prepared by the operating departments. The planning bureau instructed the departments to project their capital funding needs over the following 15-year period and to provide certain information regarding each requested project (Atlanta, City of, Department of Budget and Planning, Bureau of Planning, 1979). In addition to information about the cost and location of each project and the need it would satisfy, the departments were to indicate which program area of the CDP the request related to and which NPUs it would serve. Each department was to submit a separate package of

requested projects for each anticipated funding source and to rank the projects in each package according to their priority. The instructions advised the departments that their requests would be "evaluated against criteria and priorities taken from the Comprehensive Development Plan, and other specialized studies that have been prepared by or for the City."

The planning bureau's selection of projects for inclusion in the capital improvements program was guided by two primary concerns: (1) the selected projects should advance the goals established in the CDP, and (2) the cost of the entire set of selected projects should be within the city's funding ability. To ensure that the selected projects advanced the goals of the CDP, the planners prepared a weighted set of project selection criteria based on the policies established in the plan and used it to rank all the requested capital projects (Matthews 1986). The ranked projects were then compared to reasonably anticipated funding levels to determine which projects would be recommended for funding in which year of the CIP (Layton 1986). This stress on fundability was greatest for those projects proposed for funding in the early years of the CIP, especially for the first-year element which was expected to form the basis for the capital budgets for the upcoming year. Projects proposed for funding in the second-through fifth-year elements were also balanced against the funds expected to be available, although it was difficult to predict funding levels very far into the future. The 15-year element of the CIP retained some characteristics of the old wish list, but, even there, the planners attempted to relate the listed projects to likely funding sources (Layton 1986).

Although the staff of the Bureau of Planning controlled the evaluation process, they did not make their decisions in isolation. Some projects were so technical, both in the needs they responded to and in their design, that the planners relied heavily on advice from experts in the operating departments and the city's consulting engineers (Layton 1986). The Bureau of Budget Policy and Evaluation was sometimes consulted by the planners regarding the operating cost implications of the proposed capital projects (Matthews 1986). The planners also used the evaluation process to explore the effects of optional funding levels with the department heads and informally advised members of the City Council of the options that would be included in the CIP (Aldridge 1986).

Once the planners had finalized their recommended capital improvements program, they presented it as a part of the CDP. Beginning with the 1980 plan, the format of the CDP was restructured to comprise three volumes (see Evolution of the format of the CDPs, *supra*), and the CIP prepared by the Department of Budget and Planning was included as Volume II of the plan. This format, which was used through the remainder of the Jackson administration, stressed the relationship between the plan and the CIP. The introduction to the CIP element of the plan outlined the criteria used to select projects and listed the funds expected to be available for capital items over each of the following five years. Following sections of the CIP listed the proposed capital projects in three different ways: (1) by source of funds and year, (2) by CDP program area, and (3) by service area (i.e., NPU, city-wide, or out-of-city). Appendices to the CIP presented detailed descriptions of the projects and reported on the status of each project requested by an NPU. The completed CIP was submitted for council review and adoption as a part of the CDP.

There was generally a close correlation between the recommended capital budgets prepared by the Department of Budget and Planning and the one-year element of the adopted CIP, although the degree of correlation varied according to the funding source (Layton 1986). Budgets associated with the city's annual general obligation bond allotment and with community development block grant (CDBG) funds included virtually the same projects listed in the CIP. The correlation was slightly less complete for other funding sources (particularly the Water and Sewer Fund and the Airport Fund), since the priorities associated with those funds were determined mainly by the affected operating departments and changed frequently. Even for those specialized funds, however, the capital budgets largely conformed to the one-year element of the CIP.

Political aspects of capital budgeting. Attempts to link the city's capital budgets to the CDP generated very little debate compared to attempts to link the plan with the operating budget. There are several likely reasons for this: (1) the capital budget was not nearly so relevant to the struggle between the mayor and the council for control of the administration, (2) the relationship between traditional plans and capital expenditures is more readily apparent than that between plans and operating budgets (Guthman 1986, Matthews 1986, Monteilh 1986), and (3) capital budgeting decisions, unlike those of operating budgeting, seldom implied potential, politically sensitive tax increases (Layton 1986). There was little apparent opposition to the transfer of capital budgeting responsibilities from the Department of Finance to the Department of Budget and Planning.

The city council reportedly gave more credence to the recommended capital budgets produced by the budget and planning department than to their operating budgets (Bradley 1986). The council apparently appreciated the logic of the project selection process that had been used in developing the CIP and felt that it enabled the planners to provide meaningful advice during the council's consideration of possible changes in the program (Matthews 1986). Capital investments of an on-going, every-year nature were adopted without much change by the council. New, one-time projects, on the other hand, frequently generated debate, because the constituents of different council members were interested in different projects (Guthman 1986).

Summary of planning and budgeting at the end of the Jackson administration

It is apparent that the attempt to link planning and budgeting under Mayor Jackson was overwhelmed by political concerns. The key decisions affecting planning, budgeting, and the relationship between them were made, not for the purpose of establishing the most rational decision processes, but to consolidate political power and exercise political control. The result was a set of processes that reflected the institutional and political positions of the primary participants in planning and budgeting but which fell far short of establishing a real relationship between the two. Most observers agree that the attempt to link planning and budgeting in such a politically-charged environment had both positive and negative effects on both planning and budgeting.

Status of planning. Beginning in 1974, the status and nature of planning in Atlanta were significantly enhanced in two ways: (1) the detailed planning requirements of the new city charter institutionalized planning as an integral function of the executive branch of the government, and (2) the influence of the citizen participation program tremendously expanded the scope of concerns dealt with by the city's planners. By making the mayor responsible for having a new city plan prepared each year, calling for widespread public input during the planning process, and requiring the city council to adopt the plan as official policy, the new city charter ensured that the city's leaders would have to take the CDP into account in future decisions. Those decisions would not necessarily have to conform to the plan, but never again could the city plan simply be put on a shelf and forgotten. In addition, the plan's analyses and recommendations became relevant to a much wider array of issues than before. Concerns expressed by citizens participating in the development of the plans led the planners to look far beyond the land use, zoning, and transportation issues they had previously dealt with and to consider many additional aspects of the city's physical, economic, and social development.

Despite this institutionalization of the planning process and expansion in the scope of concerns addressed by the plan, there is a widespread perception that the quality of the city's planning suffered during the Jackson administration. Observers point to two principal reasons for the decline in the quality and prestige of planning: (1) the emphasis placed on the NPU process was not compatible with a long-range, citywide planning orientation, and (2) the planning bureau was headed by nonplanners through much of Jackson's second term.

The ambitious citizen participation effort put into place during the Jackson administration succeeded in its goal of giving neighborhood interests an official avenue for influencing public decisions. While the degree to which the participants in the NPU process were actually representative of their neighborhoods was continually open to question, those who did take part did so with enthusiasm. By all accounts, the participants saw the process as a means of dealing with immediate problems in their particular neighborhoods; the citizen groups were not able to formulate a long-range vision of the form they wanted their neighborhoods to take or to place their neighborhood in the context of the city as a whole. In the words of one NPU participant (Willis 1986), "you couldn't afford to look 10 years down the road because there was so much knocking on the back door."

Citizens who took part in the NPU process expected their input to drive the city's planning effort (Ladipo 1986). This expectation was largely met both because the Jackson administration was sympathetic to neighborhood concerns and because the citizen participants came to constitute a fairly large, organized, and vocal political force. The result was a sort of bottom-up planning effort that focused on immediate neighborhood problems at the expense of long-range, citywide issues (Weyandt 1986). Put another way, the process reversed the traditional planning hierarchy of moving from strategic issues to tactical ones.

From the perspective of planners, the process was "not . . . an instrument for making immediate decisions that contribute to realizing long-range goals" (Aldridge 1986). While individual planners may have maintained their own holistic, long-term views, the planning bureau as a whole did not establish a common long-range, citywide

context on which to base immediate recommendations (Weyandt 1986). This situation was, of course, reflected in the CDPs. The plan was strongly "oriented toward short-term, project kinds of issues" (Weyandt 1986), and frequently put forth recommendations for which analytical support was lacking (Aldridge 1986). These views are supported by a perusal of the planning documents. Throughout this period, the 15-year element of each year's CDP is presented as a generalized, citywide land use map with a minimum of explanatory text. There is no explicit indication of how (or even if) this long-range plan influences the five- and one-year plans, which focus on specific areas of the city and which make up a much larger portion of the plan document. It is not apparent that the lists of recommended projects in the plans were developed as comprehensive and cohesive sets of proposals to accomplish the plans' objectives, rather than being developed in an entirely separate process and then simply matched to the appropriate plan policies.

In addition to affecting the content and orientation of the CDPs, the NPU system influenced the way other officials viewed the planning bureau. The planners assigned to the NPUs lobbied the operating departments regarding concerns identified in the neighborhood meetings. From the point of view of the operating departments, these planners were not technically competent to interfere with the departments' methods of performing their duties, and the views the planners advocated were not necessarily compatible with the city's overall goals (Weyandt 1986). Because of the major role the NPU process played in the total planning effort, the resentment of the operating departments was expressed as skepticism for all the activities and recommendations of the planning bureau.

The citizen participation process also affected the planners' relations with the city council. The NPUs focused their political support on the planning bureau and the commissioner of budget and planning as the entities within the government that could get their recommendations implemented. The city council, which was highly suspicious of the NPU movement, came to see the commissioner as the focus of the political competition posed by the NPUs (Matthews 1986). This view of the commissioner as a politician fed the resentment of the council members and lessened the planners' credibility with the legislators (Matthews 1986).

The status of planning in Atlanta was further harmed by the fact that, through most of Mayor Jackson's second term, neither the commissioner of budget and planning nor the planning director were formally trained as planners. It appears that, in appointing nonplanners to these positions, the mayor's motivation was political. Dick Layton, who was appointed commissioner of budget and planning, had the financial knowledge and diplomatic skills to further the mayor's attempts to gain control of the budget. Panke Bradley, who was appointed director of planning, had been an influential council member who had shown support for the new charter provisions in general, and for the new planning processes in particular. According to Eplan, even though both officials were sympathetic to the idea of linking planning and budgeting, the fact that neither of them was trained as a planner doomed the linkage as he had envisioned it (Eplan 1986).

In Eplan's (1986) view Bradley "did not understand planning the way a planner understands it," and thus was unable to effectively argue her bureau's positions to the commissioner. Other observers believed that Bradley placed a higher premium on

politics than on rational planning (Glisson 1986). A planner who served under Bradley agreed, recalling (Aldridge 1986) that, under her leadership, the bureau engaged in "politically acceptable, politically popular projects—things that we were asked by the mayor or asked by council members. . . . So, it was all short-term, brush fires. But the big picture of what's happening down the road—we weren't doing it." One source (Armentrout 1986) pointed to the planning bureau's inability to produce effective and comprehensive programs with sufficient back-up data to gain the support of the mayor and the council, concluding that "the absence of a strong planning director had much to do with the inability to really tie plans in with budgeting."

Status of budgeting. It is generally agreed that the changes made during the Jackson administration improved the overall quality of the city's capital budgeting process. Although some observers noted that the more open process gave obstructionists an opportunity to hinder the city's pursuit of desirable projects (Davis 1986), the overall consensus seemed to be that the rational and explicit project selection process developed by the Department of Budget and Planning allowed elected officials to make more informed capital budgeting decisions (Aldridge 1986, Bradley 1986, Guthman 1986, Jackson 1986, Layton 1986, Matthews 1986). This improvement was counterbalanced, to some extent, by pressure (primarily from the NPUs) to invest in new capital items at the expense of maintaining the city's existing infrastructure (Anderson 1986). City officials addressed this problem early in the Jackson administration by deciding that the annual \$4 million general obligation bond allotment would be spent first on maintenance of existing facilities (Jackson 1986, Matthews 1986). New projects would be financed by

funds remaining in the allotment, the sale of additional, voter-approved bonds, or other sources.

There is widespread agreement, on the other hand, that the city's operating budgeting methods suffered during the administration of Mayor Jackson. The root cause of the problem seems to be the political confusion caused by the new charter, specifically the competition for administrative control which the charter engendered between the mayor and the city council and the operating budget's direct relevance to that competition. There can be little doubt that the rivalry largely accounts for the mayor's insistence on creating his own budgeting staff in the Department of Budget and Planning and for the council's dogmatic allegiance to the budgeting staff of the Department of Finance. The presence of duplicative, competing budgeting staffs resulted in a confused process which was inordinately influenced by politics and which hindered the city's pursuit of needed programs (Stogner 1986, Glisson 1986).

The mayor's attempts to establish a strong executive budget function backfired according to one observer. Pat Glisson, Davis' successor as Director of the Department of Finance, believed that the mayor effectively forfeited his influence over the budget by insisting that it be prepared by a staff strictly under his own purview. Glisson (1986), noting that the operating budget which was adopted was the one prepared by the Department of Finance during council's review, said, "the executive budget was lost. It was a charade in terms of the informal organization."

According to some sources, the attempt under Jackson to separate budget policy from budget administration was unrealistic and overly simplistic (Stogner 1986, Jackson 1986, Glisson 1986). Stogner explained that many of the decisions made in

administering the budget were, in fact, policy decisions. He noted that, in spite of the ostensible policy-orientation of the mayor's budget, money was spent during each year "in accordance with how many votes people could get on the city council, and that may not have had anything to do with [the mayor's] budget policy." Glisson (1986) concurred, saying that the division of financial responsibilities might be feasible in a city manager form of government but could not work in a context as political as that in Atlanta.

Effect of the planning-budgeting linkage on the distribution of city resources. There is considerable difference of opinion as to whether the linkage between planning and budgeting had any effect on the distribution of city resources among geographical areas or social groups. Eplan (1986) believed that the linkage was responsible for shifting expenditures from the prosperous northside of the city to the more populous but poorer southside. Other planners disagreed, noting that the emphasis had been on the southside for sometime before the new system was implemented (Matthews 1986) and that result of the new processes was to distribute resources more evenly over the city (Gladin 1986).

Other observers believed that the planning-budgeting linkage, itself, had little effect on the locations and social groups that benefitted from the city's expenditures (Armentrout 1986). Layton (1986) pointed out that the NPU process provided an opportunity for all segments of the city to bring their needs to the attention of the government and that the needs of the poorer areas, once acknowledged in the CDP, were too obvious for officials to ignore. Stogner (1986) agreed that the city did begin

to channel more of its resources to less affluent areas, but ascribed the trend to the advent of Black representation in the government. In his view, the planning-budgeting linkage "legitimized the process and covered it with nice language," but the distribution of resources depended on who was able to get the majority of votes on the council, and the power balance on the council was fundamentally changed by the elections of 1973.

EPILOGUE: PLANNING AND BUDGETING UNDER MAYOR YOUNG

The city charter limited Maynard Jackson to two consecutive terms as the city's mayor. He was replaced in 1982 by Andrew Young, a politician with a markedly different personality and orientation. Where Jackson (a lawyer by training) had been prone to formulate his own positions on issues and to be confrontational in his strong advocacy of them, Young (coming from a ministerial, legislative, and diplomatic background) was more inclined to approach issues by attempting to mediate a consensus among the competing interests (Bradley 1986). This conciliating approach, where each issue was addressed separately and where the goal was to reach acceptable compromises, had little use for a strong planning program. Plans which presented in advance the principles by which issues should be decided could only get in the way of the ad hoc, political negotiations (Bradley 1986).

It is hardly surprising, then, that the Young administration radically curtailed the ambitious planning program pursued under Mayor Jackson and abandoned the linkage between the plan and the executive budget. Within a year the Department of Budget and Planning had been abolished and the Bureau of Planning incorporated into the

Department of Community Development. Although the new mayor initially espoused admiration for the neighborhood planning process (Saporta 1981), he soon initiated steps to reduce its influence on city decisions. Responsibility for administering the program was removed from the planning bureau and assigned to an Office of Community Affairs within the Department of the Mayor. This new office placed less emphasis on incorporating the neighborhood proposals into the city's plans and budgets than on coordinating neighborhood concerns with the operating departments (Atlanta, City of, 1983, p. 94). Soon, instead of gathering input from 24 NPUs, each representing about 22,000 people, the planners were dealing with six study areas, each comprising four NPUs. By 1985, the planners had begun to hold one public hearing on the plan for each study area (rather than one for each NPU). All of these hearings were held at city hall and televised by the local public television station. While the fact that the hearings were televised made them available to a large number of people, the fact that they were held in city hall rather than in the neighborhoods must have decreased the intimate participation of the citizen groups.

The Young administration soon retreated somewhat from the charter's requirement for annual production of the CDP. Beginning in 1983, the city decided to simplify the planning process by preparing a complete plan only every five years. In each of the intervening years an update would be prepared and adopted to indicate changes in the most recent complete plan. Consequently, in order to understand the plan for any given year, citizens and decision makers must review the five-year CDP and all subsequent updates.

The Young administration also moved quickly to divorce the plan from the operating budget. The 1983 executive budget (the first produced under Mayor Young) was prepared by an Office of Budget, Audit, and Management, a newly created agency closely aligned with the mayor's office and staffed with people taken from the defunct Bureau of Budget Policy and Evaluation and from the Department of Finance. By the time preparation began on the 1984 budget, all budgeting preparation responsibilities had been returned to the Department of Finance. Young had by this time succeeded in replacing Charles Davis as finance director, thus removing the chief obstacle to his control of the administration.

In the practice of the Young administration, the CDP is related in some ways to the CIP, although the relationship is much less direct than when the CIP was developed as a part of the plan. The CDP lists only those capital projects which are important to accomplishing the plan's objectives. The CIP is developed by the Department of Finance concurrently with the planning bureau's development of the plan, and there are frequent informal interactions between the two staffs (Anderson 1986, Glisson 1986, Weyandt 1986). Most participants seemed to be satisfied with the relationship between the plan and the capital improvements program (Anderson 1986, Glisson 1986); however, planning director Tom Weyandt felt that a stronger institutional tie was needed between the two. He believed the process was effective at ensuring consistency in the lists of projects in the CDP and CIP, but noted that the question of whether the planning process "is in fact driving or advocating any particular policy direction for capital improvements programming is another issue entirely" (Weyandt 1986).

The plan has no formal relationship to the city's operating budget. Preparation of the operating budget is guided instead by the management plan. The management plan is a document developed annually by the mayor's office and the operating departments defining the objectives of each department for the coming year, specifying measurable criteria for efficiency and performance, and presenting estimates of the cost of meeting the objectives. While this document is prepared entirely within the administration, copies are furnished to the city council to assist in their review of the executive operating budget.

In summary, the Young administration has largely dismantled the structure assembled under Mayor Jackson for linking planning and budgeting. The city plan no longer has any significant effect on preparation of the operating budget, and its relationship to the capital improvements program and capital budget is largely advisory and accomplished through informal channels. The degree to which these changes conform to the requirements of the city charter is open to question. However, none of the people interviewed indicated that the legality of the changes had been or were likely to be challenged.

CHAPTER III

RELEVANCE OF ATLANTA'S EXPERIENCE TO PLANNING AND BUDGETING THEORY

Chapter I of this thesis postulates that recent trends in theories of planning and budgeting constitute a limited convergence of the two fields. Budgeting theorists have called for new budgeting processes that reflect the primacy of the policy and planning aspects of the government's resource allocation decisions. Planning theorists have insisted that a new approach to city planning is necessary to provide decision makers with relevant guidance regarding the issues they face. Considered together, these theoretical trends indicate an increasing recognition of the interrelationships between municipal planning and budgeting. However, the proposed reforms have not been universally endorsed by theorists in the two fields, and significant objections regarding them have been raised.

This chapter examines controversial points raised in these recent theoretical trends in light of Atlanta's experience in attempting to link planning and budgeting. An evaluation of Atlanta's experience can by no means settle all the disputes surrounding the theories, but it is hoped that it can help to illuminate the ongoing debates they have generated. (The discussions which follow lean heavily on the detailed description of Atlanta's experience presented in Chapter II, and the author assumes that the reader has carefully reviewed that chapter.)

THE THEORY BEHIND ATLANTA'S ATTEMPT TO LINK PLANNING AND BUDGETING

Leon Eplan is widely credited as being the architect of Atlanta's system for linking planning and budgeting. Eplan "was a planner by education, reputation, and inclination" (Layton 1986), and his view of the proper relationship between planning and budgeting saw budgeting primarily as a device for implementing the plan. In Eplan's words, he found himself in a situation where he "was able to invent what an annual comprehensive plan is . . . and to link it to the budget and, therefore, use the budget process to implement the plan" (Eplan, 1986).

In the system envisioned by Eplan, the adopted, annual comprehensive plan required by the new city charter would serve as the vehicle for establishing city policy. The issues facing the city would be debated and resolved during the process of preparing and adopting the plan. A set of budget policies would then be drawn up based on the goals, objectives, and recommendations of the adopted plan. These policies would guide the allocation of resources in the operating and capital budgets. Budget preparation would consist of assigning the available resources according to priorities set forth in the statements of budget policy.

In Eplan's view, the charter's requirement that a new plan be prepared each year and adopted by the city council provided the opportunity for increasing the plan's relevance to city decisions, particularly budgeting decisions. Eplan explained:

If the plan for a city is to be valuable and used, it must have at least the two important characteristics of authority and implementation. It must have authority first: it must compete on an equal footing with the budget. That means it must be current, it must be relevant, and it must be adopted policy (Eplan 1978).

Actually, Eplan seems to have wanted more than for the plan to be on "an equal footing" with the budget; in his system, the plan would govern the budget. The planning process would replace budgeting as the forum for discussing and resolving issues, establishing city policy, and deciding the relative priorities of programs. Eplan envisioned a planning process in which alternatives encompassing all the activities of the municipal government would be widely and seriously debated on a policy level. The plan, once adopted by the city council, would constitute the central statement of city policy, and would guide all subsequent actions on particular matters, including the budget. Eplan maintained that "plan-making time is when the priorities ought to be set, not at budget-making time as is often the case" (Eplan 1978).

A statement of budget policy would provide the crucial link between the plan and the budget. Based on the goals, objectives, and recommendations of the adopted plan, program analysts would develop a cohesive statement of budget policy spelling out the relative priorities of the various governmental activities and programs. Financial analysts would then translate these policies into specific funding proposals. Eplan (1986) stressed the distinction between the budget policy function, in which the goal was to "establish the direction of all activities of the city," and the budget preparation function, which had the purely financial purpose of accounting for the expenditure of city funds.

THE RELEVANCE OF ATLANTA'S EXPERIENCE TO PLANNING AND BUDGETING THEORY

It is apparent that the planning and budgeting practices of Atlanta during Mayor Jackson's tenure relate directly to theories recently advanced in both fields. However, the extent to which the city's experience can be used to evaluate those theories is limited by the unusual context within which the city performed its planning and budgeting functions. This context includes both political and economic dimensions.

As was made clear in Chapter II, Atlanta initiated its annual planning process and attempted to link it to budgeting while the city was in the midst of a political revolution. The sudden change in the racial composition of the city's government shook traditional power relationships to their roots. Within the context of that change, the new city charter abruptly restructured the city government, prescribing fundamental changes in the responsibilities of elected and appointed officials and in the ways these officials interacted with each other. The magnitude of the upheaval cannot be overemphasized. The city government's long-standing and highly evolved network of formal and informal influence suddenly disintegrated, and the incumbent members of that destroyed network as well as the newcomers scrambled to define new roles for themselves and to establish new alliances. The attempt by each entity with a stake in city politics to at least maintain its former position and, hopefully, to advance it, affected virtually all activities of the city government and dominated budgeting matters. As one knowledgeable observer, noting the overwhelming influence of the uncertain political environment, pointed out (Glisson 1986), "Atlanta is a very difficult case study to look at

if you are trying to look simply at the connection between planning and budgeting, because it is wrapped up in the dynamics of power, and Black versus White, and who has it and who doesn't."

Another political factor which strongly influenced the outcome of Atlanta's attempt to link planning and budgeting was citizen participation. Many of the people interviewed for this study seemed to have some trouble separating the planning-budgeting issue from the issue of citizen involvement. It is certainly true that the neighborhood planning system strongly affected the way the city conducted its planning, as well as the content of the plans and executive budgets and the planning agency's relations with appointed and elected officials. The neighborhood planning movement came to constitute what might almost be described as a shadow government that selected the planners as its leaders. The tension between this shadow government and the officially elected one politicized planning in a very peculiar way and led the city council and the administrative departments to look askance at the plans, budgets, and recommendations produced by the planning agency. Any evaluation of the relevance of Atlanta's experience to planning and budgeting theory must consider the unique effects of the citizen participation system employed by the city.

There is reason to believe that the economic environment of the time also tempers the degree to which theoretical conclusions of general applicability can be drawn from an evaluation of Atlanta's attempt to link planning and budgeting. The city's innovative experiment took place while the nation was going through one of its worst recessions since the Great Depression. Aaron Wildavsky (1975) has postulated that the way a government makes its budgeting decisions is strongly shaped by its

relative wealth and by the confidence with which it can predict the future availability of its resources and the demand for them. He characterized the typical budgeting environment of city governments as poor and uncertain. In the recession of the 1970s, these qualities were strongly exacerbated in Atlanta, when the city found itself with less revenue each year and less certainty about future revenues. According to former budget and planning commissioner Layton (1986), the city's unusual economic situation did, indeed, have a significant impact on its ability to budget according to its plan.

In spite of the peculiarities of the environment in which Atlanta attempted to link planning and budgeting, the city's experience does represent the implementation of many of the concepts that have been advanced in planning and budgeting theory in recent decades. While an examination of one such effort at implementation certainly cannot establish the validity or invalidity of the supporting theory, it can illuminate the practicality of the theory and suggest aspects which require more thought and examination. Atlanta's experience seems particularly relevant to three basic premises of the recent theories: (1) that policy should be decided in the context of planning, not in the context of detailed budgeting; (2) that the planning process and the plans produced should be designed to serve the primary function of guiding immediate government decisions; and (3) that budgeting should consist of the translation of the policies established in the planning process into funding details and the administration of spending throughout the year in accordance with the policies. Each of these premises has several important implications for the practice of planning and budgeting.

Planning as the forum for establishing budget policy

The central element in the call by budget theorists for a planning approach to budgeting is the assertion that budget priorities should be decided at a general policy level before the details of funding are considered. This element is compatible with planning theories which call for planning processes that are more relevant to political decisions, and it was certainly a cornerstone of Atlanta's planning-budgeting linkage. The controversial use of the planning process to establish policy to guide budgeting decisions has important implications for both fields.

In Atlanta the planning process never fully replaced the budgeting process as the forum for debating issues and establishing priorities. However, the Jackson administration's attempt to link the budget to the plan did seem to have some effect on the way budgeting decisions were made.

Effect on decision making process. The question of whether the attempt to evaluate all of the government's activities simultaneously in order to establish government policy improves or impairs decision making is perhaps the most basic issue that has been raised regarding the planning approach to budgeting. The evidence from Atlanta's experience is conflicting. In capital budgeting, input from the planning process seemed to confuse the decision making process and actually increase the political conflict in the early years when the plan had only an advisory role in capital budgeting. To a large extent this happened because of the citizen participation process used in developing the plans. The neighborhood planning units' (NPU) capital requests were exorbitant in relation to the

city's ability to fund them, yet, because of the political clout of the neighborhoods, they could not be ignored. In general, the city council felt that this political pressure impaired its ability to make decisions in the best interest of the city as a whole. However, at least one observer (Matthews 1986) credited this pressure with the decision early in the Jackson administration to earmark the city's guaranteed annual bond allotment to maintaining the city's infrastructure. This decision may have helped Atlanta avoid the crisis faced by many cities who are struggling to find money to cope with the collapse of their physical facilities.

In the last years of Mayor Jackson's tenure, the linkage between planning and capital budgeting was fully implemented when the capital improvements program was incorporated into the plan and the capital budget was prepared by the planning bureau. The planning process became a mechanism both for gathering a broad array of project requests from citizens and city departments and for selecting among them by evaluating them according to the plan's objectives and programs. Most observers agreed that, in this form, the planning approach simplified the decision makers' task and produced what were subjectively perceived to be better decisions (Aldridge 1986, Bradley 1986, Guthman 1986, Jackson 1986, Layton 1986, Matthews 1986). Decision makers in both the executive and legislative branches reportedly appreciated the rationality of the project selection process and the ability it afforded for coordinating the government's diverse capital projects over time. It is likely that the planners' use of a systematic project selection process also deflected some of the political pressure from the neighborhood groups.

In the context of operating budgeting, the results of the attempt by the executive branch to resolve issues on a policy level before moving to funding details were considerably more complex. In the uncertain political environment, competition for administrative control of the government centered on the operating budget. The mayor sought to use the operating budget to assert his charter-designated role as the city's chief executive; the city council attempted to control the budget to maintain its former domination over the operating departments; and the director of finance strove to retain control over the budget to continue in his former role as the principal coordinator of city activities. In the early years, this conflict undermined all efforts to focus debate on the policy aspects of the operating budget. Regardless of the mayor's insistence on developing a program budget that related directly to the objectives and recommendations of the plan, the council was equally adamant that it would review and adopt a line-item budget that gave it control over every expenditure made by the administrative departments. The political environment at this time was already so contentious that it is impossible to say whether the attempt to resolve budgeting issues at the policy level made for better budgeting decisions or merely increased political conflict.

The political environment was somewhat calmer in the last years of Mayor Jackson's term after the centers of political power in the government had defined their general roles, and the operating budget was approached in a more cooperative manner. The executive branch, through a change in key personnel, softened its insistence on relating budget policy to the plan. The city council, on the other hand, seems to have become more receptive of (or at least reconciled to) consideration of the policy aspects of the operating budget. The council's main concern became that of getting involved in

the development of the budget policy rather than simply reacting to a completed set of policies that had been developed under the mayor's purview.

The council continued to insist on adopting and reviewing the operating budget in line-item format. There is some indication, however, that the executive's steady pressure for a programmatic basis for budgeting decisions produced some change in the way the council viewed the budget. One long-time member of the council's finance committee (Guthman 1986) felt that the council came to "look at something in between" a line-item and a program budget, basing the level of its scrutiny on the nature of the department concerned. Another (Jackson 1986) agreed that the council eventually began to see the program budget "as something that makes sense" and credited it with shortening the amount of time required for council's review of the budget compared to its previous item-by-item scrutiny. The decision technique described by one council member (Guthman 1986) suggests, however, that the council still relied on an incremental approach, concentrating attention on the aspects of the budget which varied significantly from the previous year's budget.

While the council eventually came to admit that the program budget offered some significant benefits, it never accepted the planning process as the forum for establishing operating budget policy. According to the chairman of the council's finance committee (Jackson 1986), few council members understood the budgeting implications of the policy decisions they made throughout the year, including the adoption of the comprehensive development plan (CDP). The recommended policies and programs of the plan were apparently too general and vague to permit the resolution of issues. Consequently, policy debates occurred in both the planning and operating budgeting

processes (Jackson 1986). According to one source, the council might reach a consensus on appropriate policy in adopting the plan, but its reaction to political pressure often led it to violate that policy when adopting the budget:

Although [the council] could agree intellectually that public safety was a priority item, if the mayor's recommended budget came in saying, "Let's grant a salary increase to police and firemen, but let's hold the line on all other city employees," that wouldn't wash politically. Generally speaking, whatever amount of money that entailed would be spread evenly over all employees (Layton 1986).

Atlanta's experience lends some support to Berry's (1978) assertion that political decision makers may not welcome the additional information provided by a planning approach to decision making or the systematic process that such an approach entails. In the highly politicized environment of Atlanta, decisions often were made for the purpose of establishing the relative power of the parties involved; additional information regarding the issue ostensibly at hand or a rational process for deciding how to deal with it were irrelevant to the real purpose of the decision. The city's experience, on the other hand, seems to conflict with Wildavsky's contention (1964) that any attempt to resolve issues at a policy level is bound to increase political conflict. In the arena of capital budgeting, the planning approach, once fully implemented, seemed to result in a less contentious and more effective budgeting process. In operating budgeting during the early years of the Jackson administration, the overall political conflict of the environment produced most of the controversy related to the budget, not vice-versa. By the end of Jackson's tenure the executive and legislative branches were engaging in a cooperative effort to develop budget policy. By all accounts (Gulliver 1981, Anderson 1986) this effort was notable for its peacefulness. The absence of conflict may have been partly due to the lack of room in the operating budget for new programs,

particularly during the recessionary environment of the time. Some of the people interviewed (Jackson 1986, Monteilh 1986) pointed out that expenditures necessary to maintain existing services consumed almost all of the city's operating revenues; participants may have decided that the remaining funds were too small to argue over.

Creativity and innovation. One of the principal theoretical advantages of the planning approach to budgeting is that it encourages innovation and creativity by considering the interaction over time of all issues of concern to the government. There is conflicting evidence regarding the extent to which such innovation and creativity occurred because of Atlanta's attempt to link planning and budgeting. Eplan (1986) recalled that the linkage enabled the city to coordinate the activities of various departments to accomplish planning objectives. Implementing a decision to revitalize a particular neighborhood, for example, might require making improvements in local parks and repaving certain streets even though those improvements were not yet scheduled according to the standard procedures of the operating departments involved. Layton (1986) agreed that the generalists in the mayor's budgeting bureau were, because of their comprehensive orientation, able to come up with innovative policies and programs, but points out that they often had trouble reconciling those policies and programs to the limited resources available.

The real test, of course, was the extent to which the creative approaches included in the executive budget were reflected in the budget as adopted by the city council. According to Layton, they usually did not fare very well. He recalled that the finance department, which acted as council's staff during budget review, "took great

delight in trying to pick apart and discredit [unconventional recommendations in the mayor's budget] rather than seeing the good points and trying to make them better" (Layton, 1986). One of the reasons for the council's and finance department's skepticism was likely their lack of faith in recommended policies that had a significant time dimension. Former finance director Davis (1986) felt that "anytime you get more than three or four years [into the future], you're pie-in-the-sky." His view was echoed by councilman Guthman (1986) who noted that "once you get beyond three years . . . it's very hard, with any degree of accuracy, to plan."

Equity. The essence of budgeting is, of course, the allocation of resources, and one of the principal benefits of a planning approach is the ability it supposedly provides to consider the equity of that allocation among different segments of the community. While most observers agreed that Atlanta's government did begin to distribute its resources differently under Mayor Jackson, the considerable difference of opinion regarding the reason for this change reflects the importance of the context within which the linkage was attempted. Some observers (Eplan 1986) believed that the planning-budgeting system led the city to spend more money in the poorer areas of the city but ascribed this increase primarily to the role of the neighborhoods in formulating the city plan. Others (Stogner 1986) felt that the increased attention to the city's poor citizens was a natural outcome of the change in the racial composition of the government. If the change in the distribution of resources was caused by the participation of the neighborhoods in formulating the CDP, then the planning-budgeting linkage likely contributed to it. If, on the other hand, it was due to a change in the

representativeness of the government, it could have been accomplished regardless of the relationship between the plan and the budget.

Planning's function as a guide to immediate decisions

The annual plan preparation required by the new Atlanta city charter and the linkage between the plan and the budget instituted by the Jackson administration produced a planning process demonstrating many of the characteristics called for by recent planning theories. Although cyclical, the planning process was continually ongoing; it was comprehensive in that it attempted to consider all programs, activities, and projects relevant to the city budgets; and most importantly, its primary purpose was to influence the city's current decisions. While an evaluation of Atlanta's experience cannot, by itself, determine the validity of the recent theories regarding the purpose and nature of planning, it is appropriate to consider how well the city's new planning process was able to fulfill its role and how the effort affected the planning endeavor.

Effectiveness of plan in guiding decisions. The planners in Atlanta certainly made every effort to fulfill the role described in recent planning theory, and the CDP came to possess a level of prestige not normally associated with city plans. While the fact that the city charter outlined the plan preparation and adoption requirements accounted for part of this prestige, the plan's influence must be attributed largely to the Jackson administration's energetic implementation of those requirements. In particular, the planners developed a citizen participation system that went far beyond that mandated by

the charter. Furthermore, the scope of issues which the plan dealt with was far greater than the more-or-less physical concerns apparently envisioned by the charter.

Consequently, planning became a highly visible activity, and the plan garnered a political following—the citizens who were active in the NPUs felt they had a stake in the plan and were interested in seeing its recommendations carried out. Planning became an integral part of Atlanta's government, and within the executive branch, at least, carried considerable weight with city officials.

The reception which this new role for planning received in the legislative branch of government, however, was mixed. Former members of the city council reported that the plan was quite influential regarding issues of land use, transportation, and capital improvements—concerns which are traditionally related to planning. Regarding other issues, the council considered the plan's recommendations less authoritative, and their decisions were more likely to reflect the advice of other experts or the prevailing pressures of politics. There is little reason to believe that the council seriously considered the plan as the central statement of city policy—the role that was supported by the mayor and his planners. The council's consideration and adoption of the plan never generated enough debate to warrant discussion in the city's newspapers, and recollections of council members suggest that in reviewing the plan the members concentrated on specific areas of the plan and did not look on the adopted document as a cohesive statement of interrelated policies.

The council's attitude is probably attributable to several characteristics of the plan as well as to the political environment of the time. Most council members interviewed noted that the policies recommended by the plan were too general and

vague to form the basis for debate of issues. They felt that decisions regarding which programs the city would pursue and the relative priorities of those programs could not be made on the basis of the plan. Its goals were inarguably good and its recommendations were desirable, but in the absence of information on the costs required to implement the various recommendations the council felt that it could not decide among the various options presented in the plan. In addition, the council had little faith in forecasts of future conditions or the future impact of policy decisions. Finally, the council was skeptical of the plan because of the part played by the NPUs in developing it.

The council's attitude toward the plan bears out Berry's (1978) observations on the fundamentally different approaches of planning and politics. The political environment of Atlanta at the time was volatile and complex. Every decision the council members faced required that they consider the desires of several constituencies as well as the decision's potential impact on their status in the changing political environment. Even more than in the typical political situation, it was in the council's interest to keep their options open, to preserve their ability to respond to each emerging issue according to the political considerations obtaining at the time it had to be addressed. The council was not inclined to adopt a set of policies that was meaningful and concrete enough to constrain their possible responses to specific issues.

The reception which the CDP received in Atlanta's city council relates in two conflicting ways to the planning theory espoused by T. J. Kent (1964). It generally supports Kent's view that the planners should consider the city council as their primary client, since that body is the final arbiter of city policy. On the other hand, it seems to

conflict with Kent's belief that most city council members would welcome a city plan that constituted a broad and meaningful policy statement to guide them in making specific decisions.

Effect on planning. Although the effectiveness of Atlanta's new planning process at influencing city decisions was mixed, the intense effort had a tremendous impact on the nature of the city's planning. The requirement for annual production of the plan and the expansion of the concerns of planning to encompass all the city government's activities certainly increased the plan's relevance to decision makers. There is some indication, however, that the expanded scope of planning, along with pressure from the neighborhood planning groups, forced the planners to make recommendations regarding issues they were not equipped to address. More importantly, the new emphasis on the political relevance of planning seems to have diverted the planners' attention away from the long-term, citywide perspective that is the traditional purview of planning. The plans produced in the period seem to be overwhelmingly concerned with recommendations regarding immediate issues but say little about the interrelationships among the issues and recommendations over the long-term. Perhaps the planners actually considered such interrelationships, but they are not reflected in the published plans.

This concern with the short-term likely reflects the inclinations of the neighborhood planning units, whose influence was dominant in the early stages of each year's planning cycle, and of the elected decision makers, whose actions the completed plan was intended to influence. As documented in Chapter II, the neighborhood planning units were preoccupied with immediate problems in their areas of the city and

were not inclined to take a long-term, citywide view of issues. Elected and appointed decision makers, on the other hand, considered long-range predictions unreliable and, thus, irrelevant.

Yet a future orientation is a *sine qua non* of planning. Analysis which is not geared toward the future, however useful it might be, is not planning. Was it not possible for the planners in Atlanta to place the immediate requirements of citizens and officials in a long-range planning context? It appears likely that the planners were overwhelmed by the tremendously expanded scope of the concerns dealt with in the plan and by the elaborate and demanding plan preparation process. Faced with interactions with the neighborhood groups, operating departments, and elected decision makers, they seem to have encountered compelling and competing pressures that diverted their attention from the future-oriented, holistic approach that is the traditional hallmark of planning. At any rate, the outlooks of the city's decision makers gave them little incentive to pursue such an approach.

Budgeting's function as a plan implementation device

The attempt to link planning and budgeting in Atlanta seems to have had both beneficial and adverse effects on the city's budgeting processes. Most observers agreed that the infusion of a rational, planning-type decision process produced a capital budgeting process that was more open politically as well as more coordinated and more effective in accomplishing the city's future goals.

The effects on the operating budget, however, were mixed. The program budget format which was used by the executive branch for stating its recommended budget policy was credited with gradually moving the council away from line-item scrutiny of the budget and toward a higher level of review. It was widely agreed, on the other hand, that the city never realized the concept of an executive operating budget presenting a reliable outline of the directions and activities that the administration would pursue over the following year. This failure was due partly to the politics of the budget preparation phase in which the mayor and the city council were competing centers of influence. The council, with the assistance of the well-informed finance department, often successfully substituted its own programs for those recommended by the mayor.

Some knowledgeable observers (Glisson 1986, Jackson 1986, Stogner 1986) pointed to a more basic cause for the Jackson administration's failure to establish a meaningful budget policy function, saying that in a situation as political as that in Atlanta, budget policy could not be separated from budget preparation and execution. They maintained that the finance department had built its considerable knowledge and power because it had assumed responsibility for the city's financial well-being. In the days preceding the new charter, there was no one else in city government to assume such a central coordinating role. While the new charter formally designated the mayor as the city's chief executive, it could not confer on him the widespread knowledge and experience necessary to coordinate all aspects of the city's finances. The attempt by the Jackson administration to set up a separate agency to develop budget policy which would then be implemented by the finance department was, in the opinion of these observers, unwise and, considering the political realities in Atlanta, impossible. Current (1986)

finance director Glisson noted (1986) that "the financial operation of an organization like the city and the budgeting function are so heavily linked that, unless they are under the same operation, you have more than likely the tendency of having different results occurring from what you might have planned to take place." Too many decisions made during the administration of the budget are, in fact, policy decisions. Unless the budget policy is developed by the same organization that oversees execution of the budget, there is little reason to expect those execution decisions to conform to the adopted budget policy. "Budget administration on a day-to-day basis is, in fact, budget formulation and implementation," explained Stogner (1986), "and the idea that one time during the year, one group can adopt a budget policy and then it passes over to another group that administers that is something that I don't think is possible."

CONCLUSIONS

Importance of the government's informal organization

Perhaps the principal lesson to be drawn from Atlanta's experience is that the forum for debate of issues cannot be decreed by a document, however authoritative, nor can it be imposed by one individual, however strong his delegated power; it must, rather, be decided by mutual agreement among the principal centers of political influence. The mayor's institution of a process which virtually required that issues be debated and resolved in the context of planning was certainly within the power assigned him by the new city charter. The city council and other power centers, however, refused to

conform to that process. As one observer noted (Glisson 1986), the mayor's attempt "was a charade in terms of the informal organization." Through much of the Jackson administration, the city council and finance director simply sat back and let the executive branch develop a budget based on policy considerations, then essentially ignored that budget during the council adoption process. Progress toward a program-level basis for operating budgeting decisions came only through compromise late in Jackson's tenure. The council agreed to consider the mayor's program budget which dealt with the policy implications of funding decisions, and the executive branch agreed to involve the council in the development of that budget.

Importance of personalities

Atlanta's experience also sheds light on the importance of the interaction between institutional processes and personalities in public decision making. Institutional processes establish the framework for resolving issues by specifying the officials involved in a decision, prescribing the formal responsibilities and powers of each, and providing the ground rules for their interaction. Such processes are necessary to control political decision making and to ensure continuity of the government. Issues are actually decided, however, according to the personalities of the officials occupying the institutional framework. The compromise, described in the preceding paragraph, which led to the reality of some policy basis for operating budgeting, was possible only because of changes in the individuals occupying key positions in the decision making structure. At the beginning of the Jackson administration, budgeting decisions pitted Mayor

Jackson and Budget and Planning Commissioner Eplan against Finance Director Davis. The strong and opposing convictions held by each side regarding how the budget should be developed resulted in a fractious budgeting process which precluded the adoption of a budget representing a cohesive program for the city. A change in the institutional process to put all budget preparation responsibility under the mayor seemed, of itself, neither to reduce the level of conflict nor to result in operating budgets with a policy orientation. A cooperative approach to budgeting and the possibility of a policy basis for budgeting decisions came only with changes in the key players involved in the decisions. Eplan was replaced as the mayor's budget representative by Layton, who was reportedly less devoted to the theoretical linkage of planning and budgeting and more inclined toward political compromise. Similarly, the center of budgeting power outside the executive branch shifted from Davis to the chairman of the council's finance committee, and chairmanship of the committee passed to Ira Jackson who also was inclined toward compromise and consensus. While the institutional framework set up by the new city charter and the mayor's reorganization of the administration were necessary to provide the opportunity for a policy-oriented budget process, that process could be realized only when key positions were occupied by compatible personalities.

Differences in planning's relevance to operating and capital budgeting

While most observers agreed that the formal relationship established between planning and capital budgeting in Atlanta improved the decision making process, there was ambivalence regarding the effect of planning on operating budgeting. Even though

some city council members credited the linkage with shifting attention away from the details of the operating budget toward its policies and programs and believed that the linkage improved the quality of information available to decision makers, they did not admit that the linkage produced significantly different operating budget decisions.

Some planners interviewed for this study maintained that the plan should be linked to both the operating and capital budgeting processes. Eplan (1986) asserted that "planning is the allocation of resources. In operating budgeting it is the allocation of immediate resources for the coming year. In the capital budget it is allocating the big money and the longer-term resources. The same allocation is occurring." Gladin (1986) pointed to the importance of the interaction between capital and operating expenditures for accomplishing objectives:

If the policy is to have stronger enforcement of the law, then you've got to have the people to do that job, and you've got to foresee that that's where your problem area is going to be and that's where you want to invest your money. If the problem is more of a capital improvement, . . . then you've got to be able to recognize that. Unless you can balance all of these—one won't work without the others. . . . If you're just talking about streets and the curbs and the sewers and not the manpower that's needed to accomplish that, then it won't get accomplished.

Most observers questioned planning's relevance to the operating budget, noting that, in Atlanta, the expenditures required to maintain services at existing levels leaves very little room for changing program directions or undertaking new initiatives (Davis 1986, Glisson 1986, Guthman 1986, Jackson 1986, Layton 1986, Monteilh 1986, Stogner 1986). Layton (1986) summarized the situation the planners faced in trying to influence the operating budget:

The citizens and the departments, to the extent they wanted improved programmatic kinds of things which required operating budget increases—simply because of the scarcity of resources, there was not that kind of flexibility. And thus, you could say all you wanted to about, as an

objective of the city, increasing [sic] police response time; but if the dollars weren't there to hire more cops or to open up new precincts or to fund more efficient patrolling techniques, you just weren't able to do it.

Layton (1986) reached the conclusion that

the extent that you can link any plan with any budget is dependent less on the quality of the process and more on the availability of resources. And I think, to the extent that the linkage between the plan and the operating budget was less good than that between the plan and the capital budget, it was simply a difference in the resources available.

One planner questioned the appropriateness of attempting to link the plan with the operating budget, noting that, in contrast to capital budgeting decisions, the operating budget has only a limited and indirect relationship with the future physical development of the city which is the long-established primary concern of planning.

Matthews (1986) argued powerfully that,

most things in the operating budget don't have anything to do with development of the city, they're fixed costs: you've got to pick up the garbage; you've got to purify the water; you've got to operate the airport. . . . But you don't have to expand the airport. But if you do you can become the most powerful city in the southeastern United States. And with that goes a lot of growth and a lot of environmental damage and so on and so forth. Do you want to do it? If so, this is how much it costs; this is how we get the money. That's planning!

Both the interviews conducted for this study and perusal of the planning documents produced during the Jackson administration indicate that the planners spent a considerable portion of their time dealing with matters related to the operating budget. These matters were generally outside the planners' traditional scope of expertise and, because of the difficulty of predicting the characteristics of the problem or the effectiveness of possible solutions, did not fit well into their analytical framework. It may be that the planners' lack of confidence in dealing with this new category of issues and their apparent lack of success in convincing decision makers to address them in the

policy realm of planning diverted the planners' attention from capital budgeting issues, which they were qualified to handle, and weakened their credibility with the decision makers.

Planning certainly has a role to play in both operating and capital budgeting. Perhaps, however, the appropriate roles differ, at least in a severely resource-constrained environment like that in Atlanta between 1974 and 1982. The planning required for operating budgeting is predominantly functional planning to address the provision of specific services over the short- to medium-term future. There seems little point in attempting to program the delivery of services over the long-term and little to gain by debating the relative importance of the services. This type of functional planning can be best performed by the operating departments which have technical expertise as well as an understanding of how their activities interact with those of other departments. Perhaps, as Branch (1981) has suggested, the city's central planning office should review these individually developed functional plans to identify inconsistencies, promote interagency coordination, and, possibly to suggest changes to accomplish broader objectives.

Planning's relationship to capital budgeting, on the other hand, is long-established and virtually unassailable. Capital expenditures inherently have a significant time-dimension (if for no other reason than that they are typically funded through the sale of bonds which take a number of years to pay off) and normally have significant and long-lasting effects on the way the city develops. The experience of Atlanta confirms that planning with its rational, systematic decision process has much to contribute to the capital budgeting process. Yet the financial aspects of capital budgeting and its

implications for future operating budgets cannot be ignored. A decision to fund a given capital facility, for example, might implicitly commit the city to comparatively large operating expenses (e.g., personnel and supply costs) over the life of the facility. These hidden expenses must, of course, be met from future operating budgets, which generally have little surplus for meeting new demands and which depend for the most part on revenues generated by politically sensitive taxes such as property taxes. These aspects of capital budgeting are likely to be the responsibility of a city's financial department, and there must be close coordination between the planners and the financial analysts in evaluating capital requests and developing capital improvement programs and capital budgets. Formal responsibility for preparing the programs and budgets could lie with either agency, so long as adequate input from the remaining agency was ensured.

Summary

Atlanta's experience represents a valiant attempt to institute a relevant, decision-centered style of planning and to establish a policy and planning basis for budgeting decisions. On the surface, the failure of this effort seems to lend credibility to Wildavsky's (1964, 1975) contention that a planning approach to budgeting is impossible in a real political situation. However, that conclusion cannot be justified by the facts. The environment in which Atlanta attempted to link planning and budgeting was abnormally politicized. The evaluation of Atlanta's experience has revealed no evidence that a planning approach to budgeting cannot succeed in a situation where the

distribution of governmental authority is settled and recognized and where the centers of political influence are willing to work cooperatively toward the common good.

Atlanta's experience does indicate that budgeting, in spite of the fact that it is conceptualized in phases, is actually an integrated activity that must be approached in an integrated way. Key decisions are made by various participants all the way from the initial stages of budget preparation through the last days of budget execution. If the planning approach is to work, the policy established in the budget preparation phase must really constitute the city's policy. All significant centers of political influence must agree to the policy, and they must collectively have the will and ability to enforce it. Every person who makes subsequent decisions regarding the expenditure of funds must understand and accept the budget policy that is guiding the process. If one political faction attempts to impose the policy, other factions will find many opportunities to substitute their own.

TOPICS RECOMMENDED FOR FURTHER RESEARCH

Preliminary research into this topic indicated that many factors could have influenced the design, operation, and effectiveness of the planning-budgeting linkage practiced in Atlanta. In order to allow the participants interviewed to identify the factors that were, indeed, significant, the approach taken in this case study was intentionally informal in the sense that the questions asked in the interview process were as generalized as possible in order to elicit the widest possible range of responses. The

author feels that this approach was successful in identifying key aspects of the planning-budgeting linkage and the environment in which it was implemented.

Two types of additional studies are needed to expand the current state of knowledge regarding practical applications of integrated planning and budgeting systems and, thus, to allow general conclusions to be drawn regarding recent planning and budgeting theories. First, case studies of other local governments which have attempted to coordinate their planning and budgeting processes would be useful in further specifying the aspects of the processes, governmental structure, and political environment that are pertinent to the design, operation, and effectiveness of the coordinated systems. The author has received indications that the following local governments have attempted to coordinate planning and budgeting in some fashion: Philadelphia; Baltimore; Richmond, Virginia; Dayton, Ohio; Portland, Oregon; Knoxville, Tennessee; and Seattle-King County, Washington. Other examples may also exist. Once case studies have specified the full range of significant aspects of integrated planning-budgeting systems, a more tightly controlled study, possibly using a uniform survey instrument, would be possible. Such a study could compare cities which link planning and budgeting with cities employing other approaches to help resolve some of the controversial issues raised by recent trends in planning and budgeting theory.

In addition to studies relating to the general topic of the convergence of planning and budgeting, several aspects of Atlanta's situation warrant additional examination. First, the influence of race on the city's political processes deserves closer study. While two of the people interviewed for this thesis indicated rather vaguely that the issue of race was behind much of the political maneuvering during the Jackson

administration, other interviewees seemed to avoid this subject. A more complete understanding of the change in power relationships brought on by the advent of Black control of Atlanta's government would benefit anyone attempting to study the city's social or political functions. Such a study would seem particularly appropriate in Atlanta because of the foundation laid by Floyd Hunter (1953, 1980). Such research, however, is best left for sociologists and political scientists.

The second aspect of Atlanta's experience that warrants additional study is the transition from Mayor Jackson to Mayor Young and the effect of this change in leadership on the city's planning and budgeting functions. An analysis of the reactions of political interest groups (e.g., the business community and neighborhood organizations) to the changes instituted by Mayor Young could reveal much about the degree to which an energetic city planning effort can garner popular and political support.

Finally, an examination of Atlanta's neighborhood planning unit system could expand the current understanding of the role and proper design of citizen participation systems. The neighborhood planning process used in Atlanta was remarkable for its ambitious design and for its impacts on planning, budgeting, and politics. While most people interviewed for this study had very strong opinions regarding the process, there was no consistent indication of how it should have been changed to make it more useful and politically acceptable. A recent publication (Rohe and Gates 1985) included Atlanta's system among six case studies of neighborhood planning systems, but that analysis falls far short of answering all of the important questions raised by Atlanta's neighborhood planning system. Considering the importance attached to citizen

participation in recent years, in general, and the potential role of neighborhood groups in defining community goals and formulating planning recommendations, in particular, a more complete and critical analysis of Atlanta's Neighborhood Planning Unit system is warranted.

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APPENDIX

LIST OF PERSONS INTERVIEWED

George Aldridge. Associate Director, Planning Bureau. Joined Atlanta planning bureau/department in 1964; Comprehensive Development Plan Coordinator, 1980-1982. (Interviewed March 6, 1986.)

Frederick Allen. Political Editor, *The Atlanta Constitution*, 1981-1986. (Interviewed March 28, 1985.)

Rick Anderson. Director, Bureau of Budget and Management Analysis, Department of Finance, 1983-1986. Director, Bureau of Budget Research, 1977-1982. Assistant Director of Office of Budget, Audit, and Management, 1982-1983. (Interviewed February 21, 1986.)

Ed Armentrout. Director of Staff, City Council, 1974-1975. Currently Associate Director, Central Atlanta Progress. (Interviewed, March 21, 1986)

George Berry. Chief Administrative Officer, 1977-1979. Previous experience Assistant Director, Department of Finance; Chief Administrative Officer under Mayor Sam Massell. Subsequent experience: Commissioner, Department of Aviation, 1979-1982; Commissioner, State of Georgia, Department of Industry and Trade, 1982-1986. (Interviewed March 21, 1986.)

Emmet Bondurant. Chairman, Atlanta City Charter Review Commission, 1971-1973. (Interviewed February 21, 1986.)

Panke Bradley. Member, Board of Aldermen/City Council, 1972-1979. Planning Director, 1979-1982. (Interviewed March 21, 1986.)

Charles Davis. Director, Department of Finance, 1962-1982. Served in Department of Finance, 1948-1982. President of the Municipal Finance Officers of the United States and Canada, 1976. (Interviewed February 27, 1986.)

Carole Ann Dortch. Director, Bureau of Budget Policy and Evaluation, Department of Budget and Planning, 1979-1982. Previous experience: Financial analyst, Department of Finance, 1976-1979. (Interviewed February 19, 1986.)

Leon Eplan. Commissioner, Department of Budget and Planning, 1974-1978. President of American Institute of Planners, 1975-1977. (Interviewed February 27, 1986.)

Shirley Franklin. Chief Administrative Officer, 1982-1986. Commissioner of Cultural Affairs, 1978-1982. (Interviewed March 27, 1986.)

Collier Gladin. Director, Department/Bureau of Planning, 1964-1978. Joined planning department in 1958. (Interviewed February 28, 1986.)

Pat Glisson. Director of Department of Finance, 1982-1986. First served with finance department in 1969, moving up to the position of Executive Assistant to the Director. Director of Management Analysis and Evaluation, Seminole County, FL, 1976. Finance Director, DeKalb County, GA, 1977-1982. (Interviewed, April 3, 1986.)

Richard Guthman. Member of City Council, 1974-1986. Member of Finance Committee, 1974-1986; chairman, 1976-1978. (Interviewed March 14, 1986.)

Ira Jackson. Member of City Council, 1969-1986. Member of Finance Committee, 1974-1986; chairman, 1981-1986. (Interviewed February 21, 1986.)

Frank Keller. Planner 3, Bureau of Planning. Joined Atlanta planning bureau in 1971. (Interviewed March 6, 1986.)

William Kennedy. Head of Neighborhood Planning Division, 1974-1979. With Department/Bureau of Planning since 1965. (Interviewed March 13, 1986.)

Edith Ladipo. NPU chairman 1982-1986. Chairperson of Atlanta Planning Advisory Board (citywide board comprising representatives from all NPUs) 1984-1985. (Interviewed March 26, 1986.)

Dick Layton. Commissioner, Department of Budget and Planning, 1979-1982. Director, Bureau of Budget Policy and Evaluation, 1978-1979. Deputy Chief Administrative Officer, 1977-1978. Executive Director, Research Atlanta, 1976-1977. (Interviewed February 27, 1986.)

John Matthews. Budget Analyst, Bureau of Budget Policy and Evaluation, 1974-1983. Acting Director, Bureau of Planning, 1979. With Department of Planning, 1969-1974. City of Atlanta Office of Economic Development, 1983-1985. Fulton County Department of Economic Development, 1985-1986. (Interviewed February 21, 1986.)

Richard Monteilh. Deputy Commissioner, Department of Finance, 1983-1986. Previous experience: Deputy Chief Administrative Officer. (Interviewed March 27, 1986.)

Richard Stogner. Chief Administrative Officer, 1979-1982. Previous experience: Deputy Commissioner, Department of Finance; Deputy Commissioner, Department of Aviation. (Interviewed February 21, 1986.)

Dan Sweat. Executive Director, Central Atlanta Progress. Previously Executive Director, Atlanta Regional Commission; Chief Administrative Officer under Mayor Massell. (Interviewed March 21, 1986.)

Tom Weyandt. Director, Bureau of Planning, 1984-1986. With Atlanta Regional Commission for 11 years, including Director of Transportation Planning. (Interviewed March 21, 1986.)

Pat Willis. President, Citywide League of Neighborhoods, 1978-1979. Involvement with NPU, 1974-1980. (Interviewed March 14, 1986.)

VITA

Barry L. Shumpert was born in Tupelo, Mississippi on November 4, 1949. He attended elementary and secondary schools in several small cities in Mississippi and western Tennessee and was graduated from Humboldt High School in Humboldt, Tennessee in June 1967. The following September he entered Auburn University, and in August 1973 he received a Bachelor of Arts degree with a major in English and a double minor in architecture.

While in undergraduate school, he worked in the offices of architects and planning consultants. After receiving his bachelor's degree, he was employed by Comprehensive Planners, Inc., in West Point, Mississippi. In 1977 he became a transportation planner, specializing in environmental impact assessment, for the Tennessee Department of Transportation in Nashville, Tennessee.

In the fall of 1981, he entered the Graduate School of Planning at The University of Tennessee, Knoxville. While working toward his masters degree he was employed by the university, first in the Office of Campus Planning and later as a consultant to the Oak Ridge National Laboratory where he participated in transportation studies and environmental impact assessments. After graduation, Mr. Shumpert will continue to be employed by The University of Tennessee as a consultant to the Oak Ridge National Laboratory.