

**ASSESSING THE IMPACT OF CITY MANAGER IDEOLOGY ON LOCAL
EXPENDITURES**

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Abstract

This research explores the role of political ideology in local policy formation by assessing the impact of the city manager's ideology on local expenditures. While previous studies have identified nuanced and overlapping roles between administration and politics, here we extend those investigations by positing that ideology may influence a manager's role in the policy formation of the budget. Although some conceptualizations of city managers assume them to be largely apolitical in a partisan sense, we find a significant effect of ideology on local expenditures among city managers. This adds to the literature that suggests that city managers may not merely passively implement policies created by elected officials; rather city managers may influence policy in multifaceted ways, thereby driving a need to further investigate individual influences upon policy formation.

Keywords: city managers, political ideology, local expenditures, policy formation

INTRODUCTION

City managers, as well as other top executives, occupy a distinct role that rests between political and administrative aspects of government (Nalbandian, 1994). Notable public administration scholars have attempted to substantiate the role of the city manager by examining the city manager's actions related to policy formulation and implementation. However, varied—and at times conflicting—propositions regarding the role of the manager continue to be raised. While much of the literature discredits the perception of a city manager as apolitical due to their important role in policy formulation and implementation, the extent to which a city manager engages in political aspects of governance remains unclear. In order to provide additional insight on this subject, this study examines the impact of the city manager's ideology on the local budget and thereby seeks to potentially identify lesser known influences on the policy process.

Specifically, this research examines the impact of the city manager's political ideology, measured on a scale from liberal to conservative, on local per capita government expenditures. Here we engage a nuanced perspective of a manager's role and ability to impact policy by exploring if a city manager's ideology is a significant factor in determining the level of municipal expenditures. In the following sections we discuss literature related to the influences on government expenditures as well as the roles and responsibilities of city managers. Next, we discuss the data and methodology utilized to address this inquiry and finally, we present the findings and conclusions regarding the influence of a city manager's ideology on expenditures.

LITERATURE REVIEW

Government Expenditures

The extant literature demonstrates that political ideology and partisanship impact government expenditures. For instance, Levitt and Snyder (1995) discovered that partisanship impacts the distribution of federal expenditures whereby a solid partisan majority in Congress contributes to partisan spending programs. Franzese (2002) also found that politically polarized governments experience a partisan divide in terms of fiscal policy, with liberal controlled governments supporting fiscally responsive policies and conservative governments supporting fiscally

conservative policies. At the state level, Wood and Thobald (2003) discovered that political ideology impacts state funding allocations to local school districts with liberal states being more likely to provide additional funding to local districts that have weak tax bases. While this literature suggests that partisanship and political ideology impact government expenditures at the national and state levels, there is a lack of information regarding this relationship at the local level.

Although information about the role of ideology on local expenditures is scarce, a significant body of literature exists related to other drivers of local expenditures. For instance a key factor related to expenditures is the number of services a local government provides. A study by Liebert (1974) concluded that any assessment regarding expenditures in municipalities must include controls for functional inclusiveness. A subsequent study by Farnham (1986) expands upon this conclusion by examining expenditure data from communities across the United States and includes controls for municipal population and geographical region in addition to the common municipal functions. Farnham found that controlling for functional variation among local governments is necessary when analyzing expenditures in those communities.

In addition to functional inclusiveness, other community variables such as region, population size, population density, per-capita income, percent of the population over 65, and city council size have all been shown to be linked to municipal spending levels (Liebert 1974; Wish 1986; Farnham 1986; Morgan and Watson 1995; Campbell and Trunbull 2003; Holcombe and Williams 2008; MacDonald 2008). Scholars indicate that regional and geographic factors contribute to variations in city expenditures, which may reflect different attitudes and cultural expectations towards government and government spending (Wish 1986; Farnham 1986, Benton 2010). Further studies confirm that community variables including intergovernmental revenue, level of education, homeownership, and percentage of elderly population, may all influence per capita expenditures (Morgan and Watson 1995).

While it has been established that community level factors are important in explaining variations in local expenditures, the literature has been largely silent on the role of individual influences - such as the political ideology of the city manager - on expenditures. To address this gap and ascertain if the ideology of a city manager affects the level of local

government per capita expenditures, we must first examine the role perceptions of the city manager and their influence on the policy process.

The Roles, Responsibilities and Influences of the City Manager

The conceptualization of political and administrative separation in local government has drawn a diverse response from scholars in the field. In fact, many scholars advocate alternative conceptualizations of an administrator's involvement beyond the traditional dichotomy, and assert that a passive role for city managers in the creation of policy is unconvincing (Kammerer 1964; Stillman 1977; Montjoy and Watson, 1995; Svava 1985, 1998, 2001; Meier and O'Toole, 2006; Zhang and Feiock 2010; Demir and Reddick, 2012). To this end, Svava's (1985) work notably depicted the functions of local government as shared between elected officials and city managers across four primary areas – mission, policy, administration, and management. Other scholars such as Kammerer (1964) stressed that a manager's authority and involvement in developing policy varies across institutional arrangements and is embedded within the different roles that managers perform. Kammerer (1962; 2006) also noted that political behavior consists of more than just elections and may include actions that a manager routinely engages in – such as providing information and advising in the formulation of public policy. From this perspective scholars suggest that an attempt to separate politics and administration at the local level is impractical.

Similarly, Stillman (1977) proposed that managers play a key role in policy due to their considerable influence over important functions and decisions such as personnel actions and budget preparation. Thus, between the pressure to act in an objective manner and having a functional role in creating policy, Stillman argued that these conflicting roles create significant “tensions and identity crises” that are unique to managers (1977, 662). While challenges exist in the clear depiction of a city manager's role and responsibilities in political aspects of governance, some suggest that even if neutrality were possible, the administrator's decision to remain neutral is itself a significant exercise of discretion (Selden, Brewer and Brudney, 1999).

This stream of literature also describes how administrators view their roles and responsibilities. For instance, Selden, Brewer, and Brudney (1999) found that the majority of managers view their role as a steward of the public interest; however evidence also demonstrates that managers adopt other

role perceptions that variably emphasize rules and authority, efficiency, neutrality, and policy implementation. Additional conceptualizations of a manager's role include a modified dichotomy whereby city managers are expected to exert influence in policy formation. However, elected officials are not expected to reciprocate individual influence over management affairs. Instead the council must use their legislative supremacy "to act through official policy" (Montjoy and Watson 1995, 237). According to this modified dichotomy perspective, the manager will exercise considerable discretion in the policy process, which is reinforced by the manager's accountability to the political control of the council instead of having the civil service protections of other administrative positions (Montjoy and Watson, 1995).

Further research also supports a complex perspective of a manager's role and responsibilities in terms of the policy process. Svara (1985, 1998, 2001) notably developed this line of inquiry by describing the manager's role as complimentary to elected officials whereby both elected officials and professional administrators hold shared roles across several local government functions, including the creation and administration of policy. In this view, the roles of elected officials and administrators are defined by "ongoing interaction, reciprocal influence, and mutual deference" (Svara, 2001, p.180). This complimentary perspective envisions the relationship between politics and administration as a nuanced, interdependent association where elected officials and managers rely upon each other to achieve public purposes. Newell and Ammons' (1987) examination of role emphases among city executives, discerned between management roles, policy roles, and political roles for administrators. In the policy role, administrators are expected to develop policy proposals as well as support or object to certain budget items. Newell and Ammons demonstrated that city managers in particular (as compared with mayors, mayoral assistants, and assistant city managers) are more likely to devote greater proportions of their time to this policy role.

In other role conceptualizations, public managers have an "obligation" to be leaders within in their organizations (Behn, 1998). This includes using considerable discretion in the pursuit of goals as well as proactively surmounting the shortcomings of existing governance structures, such as discerning a direction from ambiguous legislation or objectives. According to this perspective, there is an expectation that managers will exercise leadership; thus efforts should focus not on limiting a manager's exercise of leadership rather ensuring that it is channeled in generally

beneficial ways (Behn, 1998). There is backlash to these ideas, however, with Denhardt and Denhardt (2000) arguing that the expectation of public managers as entrepreneurial leaders has vested too much authority in managers to control the direction of public organizations while simultaneously diminishing the manager's role as a true participant in achieving shared interests.

Beyond the examination of the roles of city managers, the literature discusses an administrator's ability to influence the budget specifically. According to Meltsner (1971), a city manager may exert control over a municipality by directing the budgetary process. Here, a city manager influences a municipality's budget and centralizes power under his or her authority by simultaneously serving as the city's professional executive, as well as a "fiscal innovator" that secures new revenues and educates elected officials on budgetary matters (Meltsner 1971). Further, Robbins (2005) suggested that in addition to the legislative body and public agencies, an administrator may exert considerable discretion in the public budgeting process. Robbins contends that because the administrator plays a key role in setting priorities and providing information in the budgetary process that their involvement may be the foremost influence in guiding budgetary outcomes.

As further evidence of a manager's influence on the budget, Kearney, Feldman, and Scavo (2000), collected survey data from city managers across the United States that examined how managers introduced reinventing government principles through the budget. This research demonstrated that managers may utilize the budget as a mechanism to promote certain values and policies. Kearney, Feldman, and Scavo concluded that not only do manager attitudes matter in the implementation of policy, but also that they are leaders in the policy arena. Zhang and Yang (2009) confirmed the importance of city managers' attitudes and values in the policy process by determining that manager attitudes toward citizen participation in the budget process is positively related to the adoption of participatory budget practices. Together these findings demonstrate that managers' attitudes impact budgetary outcomes and confirm that managers are not merely responding to political forces, but that they are active participants in the formulation of the budget in their own right.

While it is clear that a city manager may influence the budget through his or her administrative roles, there is little research regarding the influence of a manager's political ideology and its effect on policy. The

exception is a study by Wirth and Vasu (1987) that examined the ideology of city managers regarding decision making and the distribution of community resources. The results indicate that, “Liberal managers showed a greater propensity to work toward liberal community policies, and conversely, conservative managers showed a greater propensity to effectuate conservative community policies” (460). In fact, among their examination of variables including manager characteristics (age, education), the role orientation of the manager (political or administrative), and the geographic region of the municipality, political ideology proved to be the strongest influence in a manager’s decision regarding distributive policy issues. The authors explained that managers are thus similar to other political actors in that ideology does indeed impact the way managers utilize their roles to influence the decisions concerning municipal policy. Finally, the research concludes that managers “pursue municipal goals based in part on their own personal political ideologies, despite professional norms that deny such influences” (467).

A related investigation by Watson (1997) sought to determine if political attitudes of local bureaucrats influenced the way they administer public programs. The findings suggest that of the 405 bureaucrats surveyed, only 13% agree that their personal political views influence their job performance.² Because these investigations provide mixed insight as to whether individual ideology affects local government policy, additional empirical evidence is needed. Specifically there appears to be a dearth of information regarding the relationship between a manager’s ideology and local policy, thus depicting a need for research that encompasses the complexity of the roles, responsibilities and influences that operate as managers contribute to policy formation.

An examination of the literature provides support for three main points related to this research: 1) partisanship and ideology impact government expenditures, 2) community-level factors impact local expenditures, and 3) city managers serve various roles and are in a position

² This assertion is not particularly surprising given the professional values and norms of objectivity espoused by those in public service. Notwithstanding these values, researchers have found that ideology may still play a role in decision making. In fact research has demonstrated ideologically-motivated activity in many avowedly apolitical institutions, most notably the Supreme Court (e.g. Segal and Spaeth, 2002).

to influence the budget. These research streams that contribute to the conceptualization of this study are summarized in Table 1.

TABLE 1. RESEARCH STREAMS EXAMINING EXPENDITURES AND CITY MANAGER ROLES

Research Focus	Key Concepts	Primary Studies
Effect of Partisanship and Ideology on Expenditures	Partisanship impacts spending on public programs	Synder, 1995; Wood & Thobald, 2003
	Liberal governments support fiscally responsive policies and conservative governments support fiscally conservative policies	Franzese, 2002
Drivers of Local Government Expenditures	Number of functional services increase expenditures	Liebert,1974; Farnham, 1986
	Community-level variables such as region, income, population, population density, city council size, percent over 65 creates variation in expenditures	Wish, 1986; Farnham, 1986; Morgan & Watson, 1995; Campbell & Trunbull, 2003; Holcombe & Williams, 2008; MacDonald, 2008
Roles, Responsibilities and Influences of City Managers	Roles and responsibilities of administrators between policy and implementation; Administrator's discretion in policy formation	Kammerer,1964; Stillman,1977 Newell & Ammons, 1987; Montjoy and Watson, 1995; Svara,1985, 1998, 2001; Selden, Behn, 1998; Brewer and Brudney, 1999; Denhardt & Denhardt, 2000; Demir & Reddick, 2012
	City manager's influence on the local budget	Meltsner, 1971; Kearny, Feldman & Scavo, 2000; Robbins, 2005; Zhang & Yang, 2009
	Impact of ideology in local administration	Wirth & Vasu, 1987; Watson, 1997

The next step is to link these lines of inquiry to determine if a city manager's ideology influences municipal expenditures. For instance, are local administrators neutral in their preparation of the local budget - or is there an empirical link between an administrator's ideology and the level of local expenditures? In order to address this question, we examine one of the most critical pieces of policy, the local budget. Here we hypothesize that the ideology of the city manager will impact the per capita expenditures of a municipality, whereby a city manager with a more conservative ideology will be associated with lower per capita expenditures for the municipality. While it may be reasonable to assume that a conservative city manager will promote lower levels of spending than a liberal counterpart, we are interested to learn more about this association, specifically if a manager's self-identified political ideology may play a role. While the impact of an administrator's ideology is unclear, this hypothesized association finds support in the work of Wirth and Vasu (1987), which demonstrates a link between an administrator's ideology and their for liberal versus conservative policies within their community. Accordingly, we posit that the characteristics and beliefs of a manager may also be reflected in the budget.

Previous work also demonstrates that managers play an active role in the policy process, and this study attempts to fill a gap in the literature by identifying the impact of an administrator's ideology on local expenditures. By highlighting the impact of the city manager's ideology we hope to contribute to the field's understanding of the individual influences which may affect municipal policy.

METHODS

The initial survey in this study was mailed in early 2011 to the city managers of five hundred municipalities representing a random sample of the total 1,850 municipalities with a population of 10,000 to 250,000 classified as council-manager across the 50 states. A simple random sampling procedure³ was utilized in order to obtain a random sample of all municipalities within the United States classified as council-manager with a population between 10,000 and 250,000. First, a list of all municipalities classified as council-manager governments with a population between 10,000 and

³ The procedure is described by David Nachmias and Chava Nachmias (1981).

250,000 was developed from the listing of cities contained within the *Municipal Year Book* (International City Management Association 2010). Then a random sample of 500 cities was drawn from the list of 1,850. This random sample of 500 cities (27% of all council-manager municipalities) represented 49 different states.

A website search for each of these 500 municipalities was conducted in order to identify the name, email, and mailing address for each city manager. The city manager in each of these municipalities was contacted both by electronic and postal mail and delivered an electronic and printed survey instrument along with a letter explaining the purpose, content, use and confidentiality of the survey, and a self-addressed stamped envelope for returning the printed survey. The web address for an online survey instrument that they could use to complete the survey was also provided in the letter delivered to each participant. A second wave follow-up letter, including a copy of the same printed survey, was mailed to all participants who had not responded within approximately six weeks of the initial survey. This was followed by another email sent a few days after the second wave was mailed. Finally, a third wave email was sent several weeks later to all those who had not yet responded.⁴

The city managers of participant municipalities were asked to respond to a number of questions regarding their individual background, education, political ties, ideology, and other demographic information. The respondents were also asked to indicate who has responsibility for preparing the annual budget and how long that they had been in their current position. Only those managers that had been in their positions for one or more years, insuring that they had participated in the budget process for the budget under consideration, and who indicated that they were responsible for assembling the annual budget were included in the analysis. The instrument also included the self-reported ideology of the city manager, ranging from liberal to conservative. The survey asked respondents to classify themselves on a five-point Likert scale

⁴ Participants returned 171 surveys (a return rate of 34.2%). Four surveys were deemed unusable; three because of insufficient data completion in the survey and one because the municipality's population was deemed to be outside of the study parameters. Of these, 146 responded to all survey questions used in the analysis. See Appendix A for a demographic comparison of the sample and population.

from very liberal to very conservative. Only one city manager classified themselves as very liberal and only two city managers classified themselves as very conservative. As a result, the scale was collapsed into a three-point scale, with liberal coded as 0, moderate as 1, and conservative as 2.⁵

To supplement the survey data, budget information concerning each responding municipality's general fund expenditures was obtained from the budget posted on each municipality's website for the fiscal year 2011. The dependent variable is measured as the per capita general fund operating expenditures in 2010 dollars.⁶ Expenditures range from \$227 to \$2,379 per capita with a mean of \$802 and a median of \$718.55.

The primary variable under investigation in this study is the ideology of the city manager. As discussed above, we expect the manager's ideology to have an effect on the municipality's expenditures. Specifically, we expect a manager with a more conservative ideology will be associated with lower per capita expenditures for the municipality based upon the ability for a manager to influence the local budget (Meltsner, 1971; Kearny, Feldman & Scavo, 2000; Robbins, 2005; Zhang & Yang, 2009) and particularly the work of Wirth and Vasu (1987), which suggests that a manager's ideology may indeed impact local policies.

We also control for a number of variables in our model. First, although each city manager surveyed indicated that they were responsible for preparing the annual budget, it is clear that the elected officials of each municipality will also influence the final product. Svava's (1998) work on the shared roles between policy and administration among managers and elected officials speaks to these shared responsibilities and involvement. To help identify the involvement level of elected officials, each city manager was asked to rate on a six point Likert scale (from none to very high) the involvement level of the elected officials in the budget process. Information was also obtained regarding the property tax rates levied for each responding city to identify the relative fiscal capacity of each municipality. Because property tax rates are levied using different formulas (e.g., some use millage rates and some use cents per one

⁵ Cases where ideology was not reported are omitted.

⁶ Education spending was excluded from per capita expenditures. Population was gathered from U.S. Census data.

hundred dollar valuation) and different assessment rates (Michigan uses a 50% assessment ratio for example), we calculated the actual tax bill for a property with a market value of \$100,000 for each municipality. We used this tax bill value to control for the relative fiscal capacity for each respondent municipality.

To help account for various community influences, additional community-level data on each municipality was gathered from a variety of sources. The ideology of the electorate is expected to significantly affect expenditures. Accordingly, we posit that more liberal cities and towns are likely to have higher per capita expenditures, *ceteris paribus*, than conservative municipalities. We operationalize municipal ideology as the Democratic percentage of the two-party 2008 presidential vote in the county in which the municipality is located.⁷ If the town or city spans two counties, the average Democratic vote in the two counties is used.⁸ In addition, previous research has shown that the more services provided by the government, the higher the per capita expenditure of the municipality. To control for functional inclusiveness, the model includes a count of the total number of services offered by the municipalities as reported by the survey respondent.⁹ Respondents were also asked to report the total number of members serving on their city council, commission, or board.

Demographic and geographic data on each municipality was obtained from the United States Census Bureau. As with the total number of services, median household income and the percentage of the population over the age of 65 are expected to have a positive effect on per capita expenditures as wealthy and aging citizens may have different preferences for the number of and quality of municipal programs. However, population (in thousands) and a South dummy

⁷ Partisanship is frequently used as a proxy for ideology when comprehensive survey data is not available (LeoGrande and Jeydel 1997).

⁸ In addition to spanning two counties, it is also possible that a municipality only comprises part of a county. Unfortunately, the two-party vote is rarely reported at the municipal level. In these instances, the two-party vote for the entire county is used.

⁹ The list of these services include: Health/Inspection; Garbage Collection; Water; Sewer; Public Transportation; Education; Parks and Recreation; Public Libraries; Cultural Activities; Police; Fire; and Public Housing.

variable are expected to have a negative association with per capita expenditures due to the efficiencies of scale associated with larger populations and the role that geography plays in attitudes toward government spending. Following the work of Holcombe and Williams (2008) population density, or the number of residents per square mile, is included as a separate measure, however it is not expected to reduce per capita expenditures due to the fact that density may drive cost savings in some expenditure categories (infrastructure) while increasing expenditures in other categories (services).

RESULTS

While the literature demonstrates evidence of ideological influence on expenditures at the national and state level, little is known about the effect of ideology on local expenditures. In order to determine the effect of manager ideology on arguably the most important local policy, the budget, we regress per capita expenditures of the municipality on a number of individual and community-level variables. Robust standard errors were used to account for heteroskedasticity, and the results are presented in Table 2.¹⁰

¹⁰ Summary statistics for Table 2 are presented in Appendix B.

TABLE 2 EFFECT OF IDEOLOGY ON PER CAPITA EXPENDITURES

	Coefficient (Std. Error)	p-value
Manager Ideology	-113.57** (40.97)	0.003
Council Involvement	-12.04 (27.28)	0.330
Size of Council	52.82** (12.14)	0.000
Percent Democratic Vote	4.30* (2.93)	0.072
Population	-0.76 (0.65)	0.122
Population Density	-0.01* (0.02)	0.342
Median Income	1.51* (1.17)	0.100
Fiscal Capacity	0.21** (0.11)	0.027
Total Services	17.18* (11.82)	0.074
Percent 65+	8.38 (8.06)	0.151
South	97.89 (77.31)	0.104
Constant	200.51 (223.76)	0.186
Adjusted R ² =0.177		
RMSE=316.39		
N=146		

*p≤0.10; **p≤0.05; All tests one-tailed

As hypothesized, there is a statistically and substantively significant effect of the city manager's ideology on local expenditures. All other variables in the model held constant, a moderate city manager is associated with \$113.57 less per capita spending than

liberal city managers. Municipalities that hire self-identified conservative city managers spend an average of \$227.14 less per capita than cities that hire self-identified liberal managers. With municipalities spending approximately \$802 per capita, this reduction accounts for 28.3% of the average spending. This significant ideological effect echoes the findings at the state and national level and also confirms the hypothesis that a manager with a more conservative ideology will be associated with lower per capita expenditures for the municipality. This finding supports the perspective of the city manager as an active participant in the policy process and also sheds new light on the nature of their influence. While previous studies indicate that managers play a significant role in the policy process, with the exception of Wirth and Vasu (1987), the role of a city manager's ideology has been left unexplored in the public administration literature. This initial work demonstrates a need to revisit the field's understanding of how a city manager brings certain values, attitudes and beliefs into their policy role as professional administrators. Furthermore, the significant effect of the manager's ideology on local expenditures supports research suggesting a manager may exert control and authority in shaping the budget.

Although the ideology of the city manager has a significant effect on expenditures, it is important to control for the role the council plays in the budget. Because the council is the body with the ultimate legislative authority to commit expenditures as well as adopt other local policies, their involvement in the budgetary process must be considered. Although there may be a system of shared governance in policy development and budget preparation, including a measure of council involvement in budget preparation does not eliminate the effect of the manager's ideology. As the council becomes more involved, per capita expenditures decrease by \$12.04; the effect, however, fails to reach traditional levels of significance.¹¹ This insignificant finding does not mean the wishes of the council are not reflected in the budget; rather it indicates that even when accounting for the council's budgetary involvement, the city manager's ideology remains an important predictor of expenditures.

¹¹ With so many related variables, it is logical to be concerned with collinearity. Fortunately, the variance inflation factor for each variable is extremely low, with the highest being 1.72, indicating multicollinearity is not a not a problem for the model.

Although council involvement does not have an independent effect on expenditures, the size of the council does significantly affect per capita spending. Each additional council member increases expenditures, on average, by \$52.82. This is consistent with previous work that has found a larger council size to be associated with higher levels of spending (MacDonald, 2008). A possible explanation for this relationship is the effect of “logrolling” whereby as the size of the city council grows it becomes increasingly necessary for council members to trade votes in order to receive approval on a public project. This vote trading activity increases expenditures as the overall number of projects receiving approval grows to satisfy each additional council member.

In addition to the city manager’s ideology and council involvement in budgeting, community-level variables also have significant effects on expenditures. Some influences discussed in the literature were supported while others were not. For instance, the manager may take into account the wishes of the electorate when preparing the budget, resulting in a budget that is a faithful reflection of the electorate’s spending preferences. Here, the more liberal the electorate – as indicated by a higher vote percentage for the Democratic presidential candidate – the more is spent per capita.¹² Each additional percentage point of Democratic vote is estimated to increase expenditures by \$4.03, with a standard deviation change in the Democratic vote leading to \$54.04 more spent per capita. Nevertheless, we still see an effect of manager ideology beyond what we would expect if the manager merely behaves as a steward of the public interest.¹³ This finding supports previous research that

¹² In order to further control for constituent ideology, Appendix C presents the model with several municipal-level demographic characteristics that are strongly correlated with ideology (Erikson, 1978; Ardoin and Garand, 2003). Even when the model is saturated with predictors of constituent preferences, the substantive effect of city manager ideology remains.

¹³ It is also possible that liberal communities elect liberal councils that then select liberal city managers who produce liberal budgets, and vice versa for conservative communities. While it is not possible to include the ideology of the council due to the nonpartisan nature of most council elections, the ideology of the community and the manager are correlated at -0.12. There is no evidence that the ideology of the municipality is necessarily reflected in the city manager.

suggests individual managers adopt a variety of role perceptions that span different emphases (Selden, Brewer & Bundy, 1999).

While one may assume a certain cost savings associated with economies of scale in service provision among larger populations, Holcombe and Williams (2008) find that there are neither economies of scale or diseconomies of scale in the expenditures of municipalities greater than 50,000 in population. We find similar results in our sample of municipalities between 10,000 and 250,000. Although negatively signed, there is no significant effect for either overall population or population density on per capita expenditures. This finding is consistent with the general lack of consensus regarding the impact of population and population density across a range of differently-sized municipalities.

Other community-level variables, however, do significantly affect expenditures. For instance, municipalities with higher median incomes spend more per capita than poorer communities. This association may echo certain citizen preferences for the number and quality of services in higher income communities. Similarly, communities with more fiscal capacity, or a higher tax levy, spend more per capita than municipalities with lower revenue. Increasing capacity by a standard deviation results in a spending increase per capita of \$76.69, which may be the result of less political incentive to control expenditures in an environment of low fiscal stress. Consistent with previous research, the data also reveal that municipalities providing more services to their citizens likewise see a corresponding increase in expenditures. Each additional service provided results in a \$17.18 per capita increase, all else held constant. Given the potential for differences among the type of services necessary for aging populations, a variable that captures the percent of residents 65 and over was included in the model. Here it was found that communities with aging populations spend more per capita, however this finding does not reach traditional levels of significance.

Southern municipalities also spend considerably more per capita than municipalities in other parts of the country. While the impact of the southern region is opposite of the hypothesized direction, previous research supports similar results. Campbell and Turnbull (2003) find a positive significant effect of the south region in

municipalities with council manager forms of government. Although no other regional indicators were significant in their model, they conclude that the effect of management form on per capita spending may indeed vary across region and the time period under consideration. Our finding supports this claim.

Here we have shown that the ideology of the city manager, along with traditionally identified community characteristics, have a significant effect on a municipality's per capita expenditures. That is, the manager's involvement in policy may not be as ideologically neutral, or devoid of political content, as one might expect. One possible explanation for this finding is the perception of city managers as objective professionals who are structurally removed from overtly political aspects of governance. Perhaps due to this perceived neutrality, councils defer some policy authority to managers, creating the opportunity for managers to engage in ideologically-driven budgeting.

DISCUSSION

Building on previous research regarding the relationship between ideology and expenditures at the national and state level, we explore whether local government administrators behave in the same manner. While controlling for both the council's level of involvement and the ideology of the electorate, we hypothesized that the manager's ideology would impact local per capita expenditures in that a city manager with a more conservative ideology would be associated with lower per capita expenditures. When we examine municipalities' expenditures we find that the ideology of the city manager, along with traditionally identified community characteristics do have a significant effect on a municipality's per capita expenditures. It should be noted however, that only 17.7% of the variation is explained using this model. While this is line with several previous studies (Campbell and Geoffrey, 2003; French, 2004; MacDonald, 2008; Eskridge and French, 2011), future research into other variables that significantly influence per capita expenditure levels in municipalities is clearly needed. Even so, there is evidence to support that those municipalities with conservative city managers spend significantly less than those municipalities with liberal city managers. Thus, the key finding of this study can be summarized as, when it comes to local expenditures, the ideology of the city manager matters.

In reporting that political ideology does, on average, affect the level of per capita spending within the municipalities studied, we make no claim that lower (higher) spending is normatively better than higher (lower) spending. Implications from this finding suggest that while many in the field of public administration accept that the city manager plays an important role in policy formation, the individual characteristics of the manager and how they may influence policy needs to be further explored. This research addresses a need to understand how city managers influence policy in a partisan sense based upon the manager's self-reported political ideology. Following the results of this research, the distinction between the roles of elected officials and administrators continue to blur, suggesting that additional attention is needed to further our understanding regarding the administrator's influence upon policy.

It is also important to point out that this research confronts limitations. Due to the non-partisan composition of many local governments, it is not possible to identify the majority ideology held by the councils in our population. A future investigation may address this shortcoming by developing a survey that specifically solicits the ideology of council members. Using a survey to collect panel data may also contribute to a deeper understanding regarding the role that a manager's ideology plays in budget expenditures over time.

Next, we acknowledge that in addition to the city manager, there may be other administrators that are highly involved in the budget process, including assistant city managers and department directors. While we attempt to account for additional influences upon the budget by including a measure of council involvement, future work may consider a measure to identify the influence of other top administrators in the locality. Despite these limitations, the empirical evidence presented here contributes to the body of literature on government expenditures and furthers our understanding regarding the role and influences of a professional administrator in policy formation. From a practical standpoint this research may also impact the assumptions that we hold regarding how local governments operate.

For instance, in light of an increased understanding regarding the influence of a city manager's ideology on the expenditures, the field may wish to re-examine assumptions of objectivity in local government, and in the field of public administration more generally. Additional conceptualizations and empirical work that address

ideological and partisan aspects of administration may be useful in understanding the decision-making environment of local government. It would also be premature to assume that the influence of ideology is isolated to city managers, thus an investigation that accounts for other government executives – both within and across levels of government - may be insightful. While future work may rightly uncover new information related to the relationship between ideology and policy, this study represents an early attempt to draw attention to this important subject by empirically testing the ideological influence of the city manager on expenditures.

Finally, if future research confirms that the ideological influence of administrators is more pervasive than previously thought, modified institutions and policies may be developed in order to address, channel or mitigate an individual's ability to influence key policies. The creation of such constraining structures may be embraced by future reforms that seek to address the complex influences on public policy.

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NOTES

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¹ This assertion is not particularly surprising given the professional values and norms of objectivity espoused by those in public service. Notwithstanding these values, researchers have found that ideology may still play a role in decision making. In fact research has demonstrated ideologically-motivated activity in many avowedly apolitical institutions, most notably the Supreme Court (e.g. Segal and Spaeth, 2002).

¹ The procedure is described by David Nachmias and Chava Nachmias (1981).

¹ Participants returned 171 surveys (a return rate of 34.2%). Four surveys were deemed unusable; three because of insufficient data completion in the survey and one because the municipality's population was deemed to be outside of the study parameters. Of these, 146 responded to all survey questions used in the analysis. See Appendix A for a demographic comparison of the sample and population.

¹ Cases where ideology was not reported are omitted.

¹ Education spending was excluded from per capita expenditures. Population was gathered from U.S. Census data.

¹ Partisanship is frequently used as a proxy for ideology when comprehensive survey data is not available (LeoGrande and Jeydel 1997).

¹ In addition to spanning two counties, it is also possible that a municipality only comprises part of a county. Unfortunately, the two-party vote is rarely reported at the municipal level. In these instances, the two-party vote for the entire county is used.

¹ The list of these services include: Health/Inspection; Garbage Collection; Water; Sewer; Public Transportation; Education; Parks and Recreation; Public Libraries; Cultural Activities; Police; Fire; and Public Housing.

¹ Summary statistics for Table 2 are presented in Appendix B.

¹ With so many related variables, it is logical to be concerned with collinearity. Fortunately, the variance inflation factor for each variable is extremely low, with the highest being 1.72, indicating multicollinearity is not a not a problem for the model.

¹ In order to further control for constituent ideology, Appendix C presents the model with several municipal-level demographic characteristics that are strongly correlated with ideology (Erikson, 1978; Ardoin and Garand, 2003). Even when the model is saturated with predictors of constituent preferences, the substantive effect of city manager ideology remains.

¹ It is also possible that liberal communities elect liberal councils that then select liberal city managers who produce liberal budgets, and vice versa for conservative communities. While it is not possible to include the ideology of the council due to the nonpartisan nature of most council elections, the ideology of the community and the manager are correlated at -0.12. There is no evidence that the ideology of the municipality is necessarily reflected in the city manager.

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APPENDIX A

DEMOGRAPHIC COMPARISON OF SAMPLE TO POPULATION*

Characteristic	Population Mean (Std. Dev)	Sample Mean (Std. Dev.)
Population	41.57 (40.95)	39.80 (39.80)
Population Density	2882.24 (2507.13)	2651.77 (1985.79)
% Under 18	24.12 (4.95)	23.97 (5.01)
% 65+	13.50 (5.09)	12.93 (4.42)
% Female	51.31 (2.45)	51.20 (1.88)
% Black	10.31 (14.96)	8.17 (11.99)
Median Household Income	60.45 (25.43)	60.33 (24.79)
	N=1846	N=146

* T-tests were run between the population and sample means for each variable present in Appendix A. In each instance no significant difference exists between means.

APPENDIX B

TABLE 2 SUMMARY STATISTICS

	Count
Liberal	18
Moderate	90
Conservative	38
Municipalities in South	46
	Average*
	(Min; Max)
Per Capita Expenditures	718.55 (227.60; 2379.70)
Involvement of Council in Budget	0.63 (0; 1)
Size of Council	6.09 (3; 15)
Population (in thousands)	39.80 (10.4; 223)
Population Density	2651.77 (229.2; 10749.3)
Total Services	9.73 (5; 12)
Median Income (in thousands)	60.33 (17; 154.2)
Fiscal Capacity	460.86 (0; 1707)
% 65+	12.93 (4; 24.8)

*Median is reported for per capita expenditures.

APPENDIX C

EXPANDED MODEL OF THE EFFECT OF IDEOLOGY ON PER CAPITA EXPENDITURES

	Coefficient (Std. Error)	p-value
Manager Ideology	-113.87** (41.69)	0.004
Council Involvement	-10.46 (27.42)	0.352
Size of Council	56.25** (13.21)	0.000
Percent Democratic Vote	3.77 (3.02)	0.107
Population	-0.83 (0.65)	0.102
Population Density	-0.01 (0.02)	0.371
Median Income	1.83* (1.30)	0.081
Fiscal Capacity	0.20** (0.11)	0.033
Total Services	16.44* (11.74)	0.082
Percent 65+	10.93 (8.94)	0.112
Percent Under 18	2.49 (6.06)	0.341
Percent Female	-6.63 (14.83)	0.328
Percent Black	2.71* (1.88)	0.076
South	74.74 (79.43)	0.174
Constant	199.49 (791.92)	0.401

Adjusted R²=0.166

RMSE=318.4

N=146

*p≤0.10; **p≤0.05; All tests one-tailed