

The Rural-Urban Fringe Problem

farm, suburban, and city interests have interdependence in decisions on expenditure of public money for public services

Stephen C. Smith

Concluding a two-part report:—

Within the rural-urban fringe but outside the city limits, the suburban interests have a desire to protect their property values against the uncertainty of deterioration due to undesired neighborhood relations. The clash resulting from this protective desire frequently flares into a contest between economic groups attempting to segregate themselves from each other.

To insulate their economic position against the uncertainty of a vocal non-farm group, farmers may seek to take action through the agencies in which they are represented most ably. The institutions used may vary depending upon the locality of residence, but the county and the state governments have been frequent avenues of approach. Such activities often are reflected in the passage by the state of enabling legislation which permits the county to take action.

In California, the culmination of farmer representation at both state and county levels has led to the passage of state legislation permitting the establishment of exclusive agricultural zoning. The assessment of farm land in those zones is at their agricultural use value rather than at a competitive market value taking into account their potential transfer to urban uses.

Suburban interests—outside the city but within the fringe—may be represented by standardized subcommunities with each establishing the standards of school, public health, welfare, and amenities which it desires and can afford. Some of these subcommunities are incorporated and others receive their service through special districts or on contract with the county or nearby city. The resulting pattern of development forces each community to attempt to solve its own problems in the best possible way—with the result that community interdependence may be complementary or competitive with respect to both benefits and costs.

On the suburban side, the focal point of interest may be—in part—the county government but also within special districts organized to provide fire, police, road, hospital, and other services.

The city, by definition, is not in the rural-urban fringe—although some areas

in the fringe may be incorporated—but the city is interested in the problems of transition. Residents of the bedroom boroughs must have access at a reasonable cost to their urban employment. The city also is concerned with the movement of commerce and light industry from the central core to industrial parks in suburban or rural areas. Shifts in retail sales, tax receipts, public works expenditures, urban redevelopment, and other such items have an incidence upon the city which often means financial difficulty. To keep pace with the outward spread, bits of land—often narrow strips along either side of major highways servicing the city—are annexed. The contour of the city becomes one of long arms reaching out in many directions to virtually surround unincorporated areas. While the city is organized to handle its internal affairs it can do relatively little about many of the rural-urban problems thrust upon it.

Many of the problems engendered by the growth of the metropolitan community can not be met within a system where the rural, the suburban, and the city interests are represented by different organizations. Other avenues of approach are being sought and new institutions are being created. A unified metropolitan government, a federation of metropolitan communities, or the development of contractual relations between counties and incorporated areas or special districts are among the forms of organization with which experimentation is proceeding.

An early step in the process of working out a functional set of institutions is the identification of those problems which interrelate one part of the metropolitan community to other parts. For those problems which are interrelated functionally among the existing units of government, coordination of the process of decision making and execution should be explored thoroughly. Such exploration may be aided by combining the talents of the political scientists, sociologists, lawyers, engineers, and economists.

The economist might well give more attention to developing an appraisal of alternative types of area development. A clear analysis of the benefits and the costs of taking alternative courses of action—and the identification of their in-

cidence among the various groups of interests—will contribute to improving the process of public decision making. Benefit-cost techniques of analysis might be developed to examine such programs as exclusive agricultural zoning. Their previous application to public expenditures in water resources well might be adapted to problems of urban development. Certain of the items to be included in such analyses are not quantifiable in monetary terms; however, an explicit accounting will go a long way to resolving conflicts.

Can not many of the benefits and costs resulting from exclusive agricultural zoning be estimated? Can the life of a zone be assumed? Aren't we able to estimate the expected income from the zone under assumed conditions of agricultural production? Don't we know some of the costs of various types of urban development? Can't the direction of urban development with and without the zone be taken into account? Will the costs of urban development be increased or decreased due to the zone's existence? Can an amenity value be attached to the existence of agricultural zones? These are a few of the questions which should be answered by the application of a systematic benefit-cost analysis.

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