

1

Introduction

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Urban and regional policy debates often are long on rhetoric but short on evidence about policy impacts. To redress that imbalance, the Brookings Institution, the George Washington University Institute of Public Policy and the Trachtenberg School of Public Policy and Public Administration, and the Urban Institute held the third in the annual conference series “Urban and Regional Policy and Its Effects” at the George Washington University in Washington, D.C., May 21–22, 2009. Papers were commissioned for the conference from distinguished social scientists and practitioners. The conference sought to engage authors and discussants in a cross-disciplinary dialogue focused on the central theme—evidence of policy effects. The chapters in this volume are revised versions of the commissioned papers.

Our examination of urban and regional policy and its effects is organized around five key policy challenges that most metropolitan areas and local communities face. Each of the chapters in this volume deals with a specific policy topic representing one of these challenges:

—*Creating quality neighborhoods for families*, represented in this volume by “Policies to Cope with Foreclosures and Their Effects on Neighborhoods,” by G. Thomas Kingsley.

—*Building human capital*, represented by “School Choice: Options and Outcomes,” by Ron Zimmer, Cassandra Guarino, and Richard Buddin.

—*Governing effectively*, represented by “Commuter Taxes in U.S. Metropolitan Areas,” by Robert W. Wassmer.

—*Growing a competitive economy through industry-based strategies*, represented by “Getting into the Game: Is the Gamble on Sports as a Stimulus for Urban Economic Development a Good Bet?” by Robert A. Baade.

—*Managing the spatial pattern of metropolitan growth and development*, represented by “Public Transit as a Metropolitan Growth and Development Strategy,” by Genevieve Giuliano and Ajay Agarwal.

The goal of this volume is to inform scholars, policymakers, and practitioners of the state of knowledge regarding the effectiveness of the policy approaches, reforms, or experiments listed above in addressing key social and economic problems facing central cities, suburbs, and metropolitan areas. Authors were not required to conduct original research, although some did so. Rather, their task was to take a fresh and unfettered look at the area and conceptualize (or reconceptualize) the issue and the questions that should be asked to inform intelligent public debate. Given that conceptualization, the authors were to summarize extant research on the topic and, on the basis of that research and their own knowledge, to set forth what is known about the effects of the public policy approach under discussion and the public policy implications of what is known. They also were asked to identify what is still not known but is important to find out.

Summary of Chapters

As the conference was being held, the United States was in the middle of a major economic crisis that had its most immediate origins in the collapse of a housing bubble that resulted in the decline of housing values and a vast increase in foreclosures, affecting low- and moderate-income families in particular. Tom Kingsley’s chapter discusses how the collapse has affected neighborhoods and communities and examines the policies that have been employed to address the problems associated with it.

Kingsley begins by summarizing the causes of the foreclosure crisis, which he attributes to the relaxation of safeguards governing mortgage lending institutions. He also notes that while the foreclosure problem is national in scope, the extent of the problem varies by metropolitan region and by type of neighborhood. The greatest problems occurred in states where the density of subprime mortgages was highest, including Florida (Miami and Orlando), Arizona (Phoenix), Nevada (Las Vegas), and California (Riverside–San Bernardino). Problems varied by neighborhood as well, with subprime mortgage densities highest in neighborhoods where minority residents were predominant.

Kingsley identifies foreclosure’s three major impacts on communities—physical deterioration and declining property values, crime and social disorder, and local government fiscal stress and service deterioration—and cites research findings that corroborate those impacts.

In terms of policies to respond to the adverse impact of foreclosures on neighborhoods, Kingsley says that most experts agree that the central objective is to restore a healthy private real estate market in neighborhoods experiencing foreclosures. He cites six programmatic elements as a means of accomplishing that objective:

- organizing, mobilizing support, and building capacity
- securing and maintaining vacant foreclosed properties
- expediting the private sale of foreclosed properties
- directly acquiring and managing foreclosed properties
- maintaining and upgrading the neighborhood environment
- developing a neighborhood-based strategy that includes various mixes of intervention types and investment priorities.

Kingsley observes that much of the federal government's response has been directed at efforts to *prevent* foreclosure and eviction; however, it did include a community-impact response through the establishment of the \$3.9 billion Neighborhood Stabilization Program as part of the 2008 Housing and Economic Recovery Act. This program provides funds to states and communities for five eligible uses that are broadly consistent with the programmatic elements of neighborhood stabilization set forth above. The American Recovery and Reinvestment Act provided an additional \$2 billion for the program in 2009. Although it is far too early to evaluate the program's effects, Kingsley cites skeptical observers who are concerned that many of the jurisdictions receiving the funds lack the capacity or experience to make wise use of them.

With respect to local policy, Kingsley reviews existing literature for lessons related to each of the six programmatic elements. He notes, for example, that because a good relationship with the servicers who are responsible for at-risk properties in neighborhoods with high foreclosure densities may prove beneficial in all phases of the neighborhood stabilization process, an important step in organizing is to identify and collaborate with those servicers.

Kingsley observes that experts agree that to secure and maintain vacant and foreclosed properties in weak markets where servicers may not have adequate incentives to do so, the local government should step in to encourage responsible behavior through some combination of incentives, sanctions, and standard setting and enforcement. He also cites researchers who argue that efforts should be made to prevent vacancies or minimize the period of vacancy by encouraging servicers to promote rental occupancy of the property, most likely by the prior owner-occupant, until a new purchaser can be found.

In neighborhoods where market conditions are weak and there are no prospective purchasers, it may be desirable as a last resort for local government

agencies to acquire the foreclosed properties and get them back into use or hold them off the market for a time. In many municipalities that will require increased staff capacity and, in weaker areas, the creation of specialized land bank authorities, few of which currently exist. Kingsley also notes that maintaining and upgrading the neighborhood environment is critical in neighborhoods undergoing foreclosures so that the negative effects of foreclosed property on other neighborhood housing units is kept to a minimum. That suggests that local government should give priority to trash removal, street cleaning and repair, vacant lot cleaning, and targeted code enforcement in neighborhoods threatened by high foreclosure rates.

Kingsley emphasizes that both the extent and nature of problems resulting from foreclosure vary across neighborhoods and that public policy needs to be sensitive to those variations. He also notes that fiscally stressed local governments are not likely to have the resources to undertake the full range of activities in all neighborhoods experiencing foreclosure problems and that they must make use of an array of neighborhood data to allocate resources strategically. As a guide to resource allocation, Kingsley categorizes neighborhoods in terms of market strength and risk of foreclosure and recommends an appropriate investment strategy for each:

—In neighborhoods with low risk of foreclosures, regardless of market strength, little or no intervention is necessary.

—In strong-market neighborhoods, action should be directed toward prevention of foreclosures and minimization of vacancy should foreclosures occur.

—In neighborhoods with an intermediate level of market demand but only a moderate number of foreclosed properties, spending on prevention and on code enforcement and public maintenance should be a high priority.

—In neighborhoods with a weak market and a high risk of foreclosure—the most difficult cases—large-scale investments should be made to move the neighborhoods into the intermediate category when possible, although most cities will not have the resources to do so for many neighborhoods. Because large-scale rehabilitation that will not become economically self-sustaining could be a substantial waste of public funding, local governments may have to take the difficult step of acquiring foreclosed properties, demolishing the structures, and holding the parcels in a land bank until market conditions rebound sufficiently to justify further investment.

Kingsley concludes by stressing the importance of having good data and information to guide and evaluate neighborhood responses.

The poor performance of urban school systems has important implications for urban areas as well as for students, and it is drawing the attention of urban policymakers, parents, and academics alike. A number of reforms that expand

schooling options in urban areas have been introduced to improve school performance, including school vouchers, charter schools, magnet schools, and inter- and intradistrict open enrollment policies. “School Choice: Options and Outcomes,” by Ron Zimmer, Cassandra Guarino, and Richard Buddin, examines the evidence of the impact of such options. Their chapter updates prior studies of charter schools and voucher programs and adds a new and much-needed summary of studies on choice programs managed by school districts. An important contribution is their consideration of whether there is a difference between the effectiveness of district-managed choices, such as magnet schools and open enrollment programs, and that of independently or privately run forms of choice, such as charter schools and voucher programs.

The chapter describes the evolution of choice-based reform in the United States and discusses differences between the public’s expectations of government forms of choice and its expectations of independently controlled forms. The authors note that theoretical arguments for choice identify the following elements of choice as promoting learning gains: better student-school matching, more innovative or higher-quality schools due to greater school autonomy, and a general increase in the quality of all schools in response to competition for student enrollments. The chapter examines the empirical evidence regarding the impact of voucher programs, charter schools, and government-managed school choice options—such as interdistrict choice and open enrollment programs and magnet schools—on student outcomes, the distribution of students, and competition among schools.

The authors distinguish between direct effects, the outcomes for students enrolling in schools of choice, and indirect effects, the impacts (mainly through competitive pressure) that a school of choice has on student outcomes in other schools. Reviewing the results of more than thirty studies of domestic school choice programs—including voucher programs, charter schools, and district-managed school choice programs—the authors find that, for those three types of school choice options, the evidence has been inconclusive, with no clear consensus that any of them are having strong effects on test scores. In terms of direct effects on student outcomes, then, there is no strong evidence of much difference between the effects of nondistrict and district-managed choice programs.

A major tenet of the school choice movement is that school choice should be able to create pressure on traditional public schools by creating competition for student enrollments. In reviewing the fairly limited research that has examined the competitive effects of vouchers and charter schools, the authors find that it has generally noted that although competitive effects are challenging to estimate, there is more consistent evidence of a competitive effect for voucher programs than for charter schools.

The authors also examine the effects of school choice on the distribution of students by race or ethnicity and ability. If schools of choice simply recruit the best students from traditional public schools, the success of choice programs might be illusory and school choice may further stratify an already ethnically or racially stratified system. On the other hand, schools of choice may improve racial integration by letting families choose schools outside of neighborhoods where housing is racially segregated.

The evidence on distributional effects has been somewhat mixed across the various school choice options. Research suggests that students who take advantage of vouchers are generally disadvantaged (as many of the programs are means tested) but tend to come from families with higher education levels and are less likely to be special education students. Research on charter schools has used stronger research designs and generally found that charter schools tended to attract students whose prior test scores were below the average for the schools that they exited. However, in some locations, black and white students were more likely to transfer to charter schools where there were higher concentrations of students from their own race than there were at the schools that they exited. The research on district-managed programs also is mixed.

The authors conclude that the mixed results concerning the efficacy, competitive impacts, and distributional effects of school choice are a consequence of methodological challenges, limited research, and excessive focus on test scores. The fact that selection is at the heart of school choice creates a challenge for research that attempts to find effects. For example, students choosing to attend schools of choice may be more motivated or have more involved parents than students who do not exercise choice, and any observed learning increases might result from those characteristics rather than from the quality of the schools themselves. The authors found no research that specifically examined the competitive effects of district-managed choice programs and scant research on the competitive effects of voucher programs or charter schools.

Zimmer, Guarino, and Buddin point out that research has focused primarily on test score outcomes and is only beginning to focus on other important outcomes, such as graduation rates and college enrollment. They recommend that researchers expand their analyses to understand what factors lead to positive and negative results. The authors find that the patterns that emerge in synthesizing the research highlight issues that warrant further exploration, including what operational features of school choice programs lead to differential effects and whether the programs are leading to widespread distributional effects.

The Great Recession, which began in late 2007, has strained municipal finances. In many large central cities the strain has exacerbated the fiscal problems resulting from the decades-long exodus of employers and middle- and

high-income residents. In addition to cutting city services and laying off municipal employees, central cities have sought new sources of revenue. Commuter taxes, a revenue source whose use declined over the last half-century, have received renewed attention in New York, where Mayor Bloomberg suggested reinstating the city's commuter tax as an alternative to a steep property tax increase, and Philadelphia, where a long-term program to reduce the city wage tax was put on hold in 2010.

In "Commuter Taxes in U.S. Metropolitan Areas," Robert W. Wassmer examines whether commuter taxes are a desirable way for central cities to raise revenue. After reviewing the history and current use of commuter taxes, Wassmer considers whether commuters pay their fair share of the costs of central city services. It has been argued that central cities benefit commuters by providing public services to them during the work day, provide housing and services to a disproportionate share of the poor in their metropolitan areas, and, if economically healthy, increase property values throughout the metropolitan area. Commuters, it is claimed, do not fully pay for those benefits. Yet because commuters also benefit central city residents, theory provides no clear guide to whether commuters pay too much, too little, or the right amount for the benefits that they receive from central cities. Moreover, studies that attempt to measure the benefits and costs of commuters to central cities have not reached consensus on the issue.

Wassmer then considers the impact of commuter taxes on central city population, employment, and tax revenue. In theory, such taxes have the potential to discourage both residents and businesses from locating in the central city, and if the consequent reduction in the tax base is large enough, central city tax revenues may fall. However, the extent to which those effects occur, and whether they occur at all, depends on whether residents and businesses consider other suburban jurisdictions in the metropolitan to be good substitutes for the central city. In a metropolitan area such as Detroit, where the central city offers few inherent advantages to either residents or businesses, a central city commuter tax will induce more outmigration of people and jobs than in an area such as New York, where the central city offers distinctive amenities and opportunities for face-to-face business interaction that are less easily duplicated in the suburbs.

Wassmer reviews the evidence on the impact of commuter taxes, which uniformly shows that the taxes are associated with loss of population and employment in the central cities that impose them. Some evidence also suggests that after 1998 a reduction in Philadelphia's wage tax would have increased the city's tax revenues. Although most of the studies of commuter tax impacts do not take into account the cuts in city services that would be likely to accompany any serious effort to reduce or eliminate commuter taxes, the few that do take such cuts

into account still find that the taxes reduce central city population and employment. However, the vast majority of those studies are about Philadelphia, which has the nation's highest municipal wage tax rate on commuters, so the studies' findings may not apply to the same extent, or at all, to other cities.

Wassmer also compares commuter taxes and alternative revenue sources. Citing Richard Bird, he lays out seven requirements of a local tax that economists generally consider desirable: the tax should be levied on an immobile base, should produce stable and predictable revenue, should not be easily exported to nonresidents, should be perceived as fair, should be levied on a base that promotes the accountability of the taxing authority to residents, should be easily administered, and should produce revenue adequate to meet local needs over time. Commuter taxes fail to meet all but the last two of those criteria. Wassmer considers alternatives that, in principle, are more desirable: annexation of suburban territory by the central city, a commuter tax with a credit toward the tax owed to the jurisdictions where commuters live, a reduction in central city government spending, increased assistance to the central city from the federal and state governments, interjurisdictional tax agreements, regionalization of local government at the metropolitan level, and replacement of the commuter tax with alternative central city taxes and fees.

Wassmer recognizes that completely eliminating commuter taxes and avoiding them in cities where they do not currently exist often is not politically feasible. He argues that central cities in need of additional revenue should pursue a multistep program that includes, in order of desirability, efforts to downsize city government to eliminate wasteful spending, regional funding of services whose benefits spill across jurisdictions, annexation in those parts of the country where it is possible, interjurisdictional tax agreements, state matching grants to fund city services whose benefits spill over to the suburbs, and, as a last resort, a commuter tax with a credit. Cities with commuter taxes, he argues, should try to phase out those taxes by pursuing the same steps.

The pursuit of professional sports teams and the construction of sports facilities to attract or retain teams has been a constant theme in local and regional economic development strategy for several decades. However, that strategy, particularly if there are public subsidies for construction, as there usually are, can be extremely expensive. Are the benefits worth it? Robert Baade examines that question in his chapter, "Getting into the Game: Is the Gamble on Sports as a Stimulus for Urban Economic Development a Good Bet?"

Baade begins by tracing the history of stadium construction. He finds that the cost of construction has increased since the mid-1980s and that most of the cost continues to be borne by the public sector, as it has since the end of World War II. He documents how new stadium construction has benefited owners of

the new stadiums (through increases in the value of sports franchises) and players (through substantial increases in payroll after new stadium construction). Baade also observes that the public subsidies required to build new facilities can obviously be more easily borne by the public sector in larger cities or regions and that smaller cities (Green Bay in the National Football League is the iconic example) can afford to compete only in a league that engages in substantial redistribution of revenue from wealthy to less wealthy franchises.

Do the economic benefits derived from public subsidies of sports teams justify the costs of the subsidies? Baade first presents the theoretical argument on behalf of the subsidies, which holds that a major league team with a new stadium will increase attendance at the stadium from nonresidents who will not only purchase tickets to the game but also eat at local restaurants, stay at local hotels, and purchase other goods in the local area. In short, a stadium serves as part of the area's export base. The resulting increased income or a substantial portion of it will be spent locally (the multiplier effect) and will result in greater tax revenues to local government. Baade notes, however, that it is extremely difficult to accurately project benefits. Projections depend heavily on assumptions and often are undertaken by advocates whose objectivity is open to question. Their accuracy also depends on the economic condition of the region, not just the locality.

Baade questions whether the economic justifications provided are, in fact, theoretically accurate. He first notes that to the extent that owners and players are nonresident (for most of the year), most of the revenue earned by local sports teams is unlikely to be spent locally and therefore will generate low multiplier effects. In addition, the export base argument, while valid, relates only to fans attending games from outside the region. Attendees from within the region are simply rearranging their spending from one activity within the region to another. Baade argues that most attendees in most regions are local. The stadiums themselves usually accommodate only seasonal activity and do not integrate well with nearby commercial activity other than parking lots. In fact, new stadiums usually incorporate within them concessions that compete with neighborhood venues offering food, drink, and merchandise.

Baade compares projected returns from new sports stadium construction, which frequently are estimated by stadium boosters, with the more objective estimates of returns from stadiums that were actually built reported in studies by economists. He finds substantial divergence, with the former generally predicting positive returns and the latter finding little or no impact. Indeed, Baade argues that investment in new stadiums can have negative impacts for a community, since “[p]rofessional sports and stadiums divert economic development toward labor-intensive, relatively unskilled labor (low-wage) activities. To the extent that this developmental path diverges from less labor-intensive, more

highly skilled labor (high-wage) activities characteristic of other economies within the region, it would be expected that the sports-minded area would experience a falling share of regional income.” Baade does note, however, that sports facilities as a *component* of a downtown commercial development strategy, as in Cleveland and Indianapolis, may make sense.

The author then turns his attention to what are frequently viewed as “noneconomic” benefits of professional sports, including increased community visibility, improved community image, stimulation of other development, and the psychic value or income that residents derive from having a professional sports team in the region. Baade terms the first three of these benefits “economic signaling” and observes that if they have a positive impact on the regional economy, then that impact ought to be captured in an economic evaluation of actually built stadiums as increased economic output, income, or employment. However, as he shows, they are not.

Baade accepts that there is some psychic income associated with the presence of a professional sports team in a city but emphasizes that, while clearly difficult to estimate, the question is whether the value of that “income” exceeds the public subsidy paid. He reviews the literature and finds two methodologies for estimating psychic benefits. The first, the contingent valuation method, consists of surveying residents to determine how much money they would be willing to give up in a specific hypothetical scenario—for example, to construct a stadium and obtain or retain a professional sports team. The literature finds that there is willingness to pay nontrivial amounts, but those amounts, in aggregate, usually fall far short of the public subsidies provided.

The second method, compensating differentials, is based on the premise that if an area’s amenities, such as professional sports teams and venues, provide value to its residents, then, in return for those amenities, residents will be willing to accept higher housing prices and lower wages to live there. Although one study does find compensating differentials that substantially exceed subsidies, other studies do not. Baade also notes that these studies incorporate all amenities (and disamenities) present in the region and thus the compensating differentials empirically estimated cannot all be attributed to the presence of a professional sports team.

Baade concludes that “[a] preponderance of evidence suggests that sport subsidies alone do not produce social value in excess of their social costs” and that there are adverse distributional consequences as income and wealth are transferred from taxpayers to owners and players. He observes that the only argument that might justify subsidizing sports teams is that the teams improve residents’ quality of life (psychic income), and he calls for research to develop better methods for estimating any such benefit.

In “Public Transit as a Metropolitan Growth and Development Strategy,” Genevieve Giuliano and Ajay Agarwal consider the theory and reality of public transit as a solution to the problem of urban sprawl. Urban sprawl—the decentralization of population and jobs—has been associated with congestion, air pollution, energy consumption, loss of open space, and more recently obesity and global climate change. Urban sprawl is also associated with problems such as loss of social capital and spatial segmentation by race and class.

Public transit, particularly rail transit, has been viewed as an essential component of reversing decentralization trends and supporting the revitalization and growth of cities. Public transit is also seen as an important means for restructuring the suburbs and guiding the growth of newer cities to transform them according to what are now accepted “smart growth” principles among urban planners: building cities with moderate to high population and employment densities, intermixed housing and jobs, heterogeneous neighborhoods, a high level of access to public transit and options for walking, and limited use of the private automobile.

The authors review the more than three decades of research on the influence of public transit—particularly rail transit—on urban form and find that while investment in public transit may in theory lead to a more compact urban form, the evidence is quite mixed. Their chapter presents a critical review of the influence of rail transit on travel behavior, land use, and urban form to answer the following questions: What are the theoretical expectations from transit investments? Under what conditions might transit investment lead to a more compact urban form? What is the evidence about the impact of transit on urban form? Finally, in view of the mixed evidence, why is transit investment still perceived as a critical policy tool for shaping cities?

Transportation infrastructure lowers transport cost by improving accessibility. Theoretically, economic activity should gravitate toward rail corridors, implying that rail transit has a redistributing/redirecting effect on future development, and that shift should be reflected in increased land values. That is, property values around transit stations should be higher, thereby stimulating higher densities around rail stations. However, the reality of metropolitan areas is far more complex than assumed in standard economic theory. Residential location choice is more than a simple trade-off between housing cost and commuting cost, and individual preferences play an important role.

Furthermore, basic assumptions about where people live and work have changed over time. In contrast to the standard assumption that all employment is located at the city center, most metropolitan employment is now located outside the center—some of it concentrated inside multiple “employment centers” and some dispersed more broadly. In addition, a substantial proportion of

households now are dual-earner households, which implies that they must choose a residential location that can accommodate more than one job location.

With respect to a firm's location decision, the decline in manufacturing and increase in services and information processing implies that output costs (for example, the cost of shipping products to market) are becoming relatively less important. The decentralization of employment observed over the past several decades is consistent with labor force access becoming a relatively more important location consideration.

After reviewing the theory, Giuliano and Agarwal turn to the evidence. The authors maintain that the best measure of transit benefits is land values and that a second-best measure is land use changes. Other measurement issues considered include the appropriate spatial area for expected impact (for example, a quarter-mile radius, which is roughly the distance that can be covered on foot in five minutes), the appropriate time frame for measuring impacts, and the context of property values in the region as well as in similar transportation corridors.

The authors' review of the evidence finds that it does not establish unambiguously whether or not rail transit investments are capitalized in property values. The mixed results suggest that the impacts of any given rail investment depend on local circumstances, so the authors describe three illustrative cases: Portland, Oregon; the San Francisco Bay Area Rapid Transit (BART) system; and Metropolitan Atlanta Rapid Transit Authority (MARTA). Each case study addresses public transit, transportation and land use policies, impacts on travel behavior, impacts on land values and land use, and impacts on regional spatial trends.

The three cases describe very different efforts to use transit investment to influence metropolitan structure. Portland represents an ambitious, integrated transport and land use plan that has resulted in more transit use and possibly higher densities within its urban growth boundary (UGB). But there also is evidence of growth spreading beyond the UGB, and the overall structure of the metropolitan area is similar to that of other areas of its size. The BART system, the result of a consensus agreement among several counties in the San Francisco Bay area, was built in a mature, relatively dense metropolitan area that had a challenging geography and already had a high level of transit use. BART was not part of a comprehensive land use plan like Portland's, and, not surprisingly, BART outcomes have varied across the system. The MARTA system had neither a geographic nor policy advantage. Atlanta's urban form was and is dispersed and low density. As would be expected under such circumstances, the rail system has had no impact on accessibility and consequently no impact on land values or land use.

The authors conclude that rail transit does not consistently lead to significant land use changes and hence is not necessarily an effective growth management strategy. When impacts of rail transit are found, they are highly localized and tend to occur in fast-growing, heavily congested core areas; they also are likely to be small in magnitude. Furthermore, impacts depend on complementary land use policies and parking and traffic policies. The authors note that “[w]ithout changing our policies regarding private vehicles, transit investment will remain an inefficient strategy for influencing travel behavior and thereby location choices.”

Giuliano and Agarwal suggest several options for addressing urban sprawl that would be more effective than rail transit investment, including more reliance on land use policy itself; providing incentives in the form of density offsets, flexible parking requirements, or reduced fees; and using smart growth principles in designing new communities. They also recommend more serious consideration of bus transit, using busways to give buses the same travel time advantage as rail, typically at far less cost.

Policy Analysis Research and the Making of Public Policy

The chapters in this volume illustrate that in many urban and regional policy areas, policymakers are not guided by research that uses analytical techniques to determine whether policies achieve or are likely to achieve their goals. School choice programs are widely advocated despite the absence of clear and consistent evidence of their impact. Commuter taxes are used in some cities and advocated by some large city mayors despite evidence of their economic disadvantages. Stadiums are popular among local elected officials and economic developers despite strong evidence that they do not contribute to local economic development. Rail transit is popular among local elected officials and economic developers who think that it will create more compact and vibrant metropolitan areas, despite evidence that it does so only under circumstances that exist in just a few metropolitan areas. Policies to prevent foreclosure are not widespread despite evidence that there are effective practices to promote that widely shared goal.

Why do policymakers apparently pay so little attention to policy research? That question has been the subject of a substantial amount of both conjecture and systematic research. Indeed, there is an entire literature on research utilization, a subfield of knowledge utilization, and there are articles that address the question specifically.¹

1. See, for example, Wolman (1988); Greenbaum and Landers (2009).

The literature makes an important distinction. Utilization can be viewed as either “concrete” (research is used to inform a specific program or policy) or “conceptual” (research influences the intellectual orientation of policymakers in the longer run).² In the first instance, policy research may or may not have an effect on a particular policy decision, while in the second it might affect the policy agenda (what gets considered in the policymaking process) and policy framing and design in the longer term. For example, there is probably more, and more sophisticated, public debate about stadiums than there was twenty years ago.

The literature makes clear that although policy research rarely has direct effects on policy design, it often plays an important role in the policy process in other ways. Policymakers use it to frame debates, to rationalize policy positions or decisions adopted for other reasons, and to support the legitimacy of their positions.³ However, the questions with which we are concerned here are related to concrete utilization: Why do policymakers seem to ignore the findings of policy analysis research? What, if anything, can be done to increase the use of such research? We consider answers to those questions first in terms of the characteristics of research and researchers and then in terms of the characteristics of policymakers and the policy process.

Characteristics of Research and Researchers

Research often does not offer clear guidance to policymakers. Indeed, it frequently reaches inconclusive or contradictory results, and researchers may disagree both on research findings across multiple studies and on how they should be interpreted.⁴ School choice research, in particular, is an area where the findings are quite diverse.⁵ Contradictory findings often result in dueling experts, and the usual result is that policymakers ignore both or readily accept the findings that support their existing views.

There are many reasons for the lack of clear findings. Results often are sensitive to differences in assumptions, research design, methods, and data sources. (The chapters on sports and school choice illustrate that point especially clearly.) Research results also may be sensitive to context, including time and place. Results from a study of a program in one area may not be the same as those in another area because of differences in area characteristics. Some research may differ in quality from other research. Not all research or research findings should be treated as equal; some research is simply better than others.

2. Greenberg, Linksz, and Mandell (2003, pp. 48–50).

3. Shulock (1999).

4. Maynard (2006); Greenbaum and Landers, 2009; Hirasuna and Hansen (2009).

5. Henig (2008).

Research seemingly on the same topic may ask somewhat different questions. For example, consider two questions related to school choice: Do students who attend schools of choice through a lottery perform better than those who apply but aren't admitted? Do individual students who move between schools of choice and regular public schools perform better in schools of choice? They may sound like the same question, but, in fact, they are not. Or consider two other questions: Do schools of choice increase the performance of students who attend them? Do schools of choice narrow the performance gap between black and white students who attend them? Both are relevant questions, but they may yield different answers.

Policymakers often do not have easy access to research studies, and when studies are available, they often are presented in ways that make them unintelligible. They may, for example, be written in technical jargon, which researchers understand but policymakers are not likely to. The discussion may focus primarily on methodological considerations that condition the findings and that are important, indeed critical, to the research but that require a person to have a substantial technical background in order to understand them.

One reason why research findings are rarely presented in a way that makes them accessible to policymakers is that often researchers are not interested in the policy implications of their research or in the problems of policymakers. Many make little or no effort to draw policy implications or to do so in a way that makes their findings comprehensible to policymakers, nor do they try to disseminate their research to policymakers.⁶ For example, many academic research articles about the impacts of public policies lack short and clear executive summaries that directly address findings and their policy implications, and the authors of the articles rarely produce such executive summaries as separate documents.

In particular, there is a lack of "overview policy research literature" that assesses the entire body of research in an area and comes to conclusions about the state of existing knowledge—what we know, what we think that we know but aren't sure of, and what we don't know.⁷ The relative lack of such literature is readily explainable. Academic journals do not usually publish literature reviews, and academics seeking tenure and promotion do not receive much credit for writing and publishing them.⁸

Research questions and the way that they are formulated change over time, making research conducted in one period less useful for later policymakers and sometimes making it difficult for researchers to keep up with policy concerns.

6. Weisbrod (1997).

7. Greenbaum and Landers (2009); Henig (2008).

8. The *Journal of Economic Literature* and *Journal of Economic Perspective* are excellent exceptions, but of necessity they cover only a small number of areas, many not directly related to public policy.

For example, interest in transit as a densification policy is relatively new, so there are few studies of that topic per se. Moreover, research does not always address questions of the greatest relevance to policymakers. For example, most research on sports stadiums has analyzed economic development impacts, but policymakers and the public may be interested in the fiscal returns. (The evidence is clear that stadium construction does not yield net regional economic development benefits in terms of jobs or income, but it *may* yield a positive fiscal return for the specific locality in which it is located.) More generally, elected officials may see stadiums as a collective consumption good—that is, as a good that increases the overall psychic well-being of their residents. As Robert Baade’s chapter indicates, research has only recently begun to consider such concerns. In addition, research is mostly about the behavioral impacts of policies (the impacts of school choice on student learning, for example, or the impacts of stadiums, rail transit, and commuter taxes on the location decisions of households and businesses), but behavioral impacts may be small and less important than other considerations in policymaking, such as distributional impacts or service provision.⁹

Researchers sometimes base their conclusions on statistical significance (the precision with which the impact of a policy is estimated) rather than substantive significance (the size and importance of the policy’s impact). That may lead them to recommend policies whose impacts are trivial or to ignore policies whose impacts are potentially large or at least to fail to tell policymakers how large the impacts of policies are.¹⁰

Research and researchers often ignore political feasibility or produce “best” policies that are not politically feasible. (The commuter tax literature, for example, argues for abolition of the tax, but that is not feasible in a city like Philadelphia, which is highly dependent on it.) The policy process inevitably involves negotiation and compromise as a necessary means of aggregating majorities and the relevant question may not be what the optimal policy is but what the costs and benefits of various types of suboptimal policies are.

Characteristics of Policymakers and the Policy Process

Elected policymakers generally have a very strong interest in being reelected. (In fact, David Mayhew has famously characterized U.S. senators and representatives as motivated by a single-minded concern for reelection and argues that their behavior can best be understood through that lens.)¹¹ They may have electoral incentives to oversell policy solutions that bring short-term, visible benefits

9. Wyckoff (2009).

10. Ziliak and McCloskey (2008).

11. Mayhew (1974).

if the costs are mostly invisible or diffuse (that is, borne by others outside the jurisdiction). For its part, the public may want to believe that something can (and should) be done (build stadiums, offer a school choice program) but may be poorly informed about the options.¹²

Policymakers often lack the technical knowledge needed to understand research. For example, they usually are not trained in statistical analysis and often do not understand the difference between theory and evidence.¹³ That lack could conceivably be compensated for if the policymaker has staff with sufficient knowledge to understand the research and to “translate” it for use in the policy process.

Policymakers make decisions in the face of time and resource limitations and with imperfect information. Therefore they consider only a limited menu of problems and policy solutions and may be impervious to others, and they often are satisfied with policies that appear to be working well enough even if they are not the best policies.¹⁴

Moreover, policymakers do not “think” like researchers. As summarized in table 1-1, they seek clear, timely answers that can be explained simply and embedded in a narrative that they and their nonacademic constituents will find credible. In contrast, researchers seek technically correct answers that are embedded in abstract theories, and they are willing to draw “messier” conclusions from multiple studies that use different methods and data sources.

As Henig suggests, policymakers, particularly elected policymakers, do not process “facts.”¹⁵ Instead, they use facts to fashion narratives and embed the facts in the narratives; it is the narratives that are meaningful. As Piore argues, there are two modes of policy analysis: interpretive and instrumental.¹⁶ Policymakers need an interpretive framework within which to ask questions about the impacts of policies. But disagreement about policies often is disagreement about the interpretive framework as much as, or more than, it is disagreement about policy impacts, and evidence about policy impacts does not affect the framework itself. For example, if the controversies over school choice are mainly about the desirability of expanding the scope of markets—because of philosophical differences about whether markets improve freedom—then policymakers’ views about choice will depend on their views on that question, not on whether choice programs raise test scores.

Evidence from policy research is only one source of substantive information that policymakers make use of in assessing policy. Information also comes from

12. Wyckoff (2009).

13. Wyckoff (2009).

14. Goodin, Rein, and Moran (2006).

15. Henig (2008).

16. Piore (1995).

Table 1-1. “*Researcher-Think*” and “*Policymaker-Think*”

<i>Research dimension</i>	<i>Researchers</i>	<i>Policymakers</i>
Time	Researchers take the time to get the research right.	Policymakers need answers now.
Multiple studies	Understanding emerges from the cumulation of findings from multiple studies.	Understanding emerges from the findings of the “right” study.
Causality	Establishing causality is problematic and requires a sophisticated research design.	Causality is straightforward: there is correlation plus a credible narrative.
Abstraction	Abstraction is required to find general patterns.	Abstraction (and generalization) denies the complexity of real life.
Simplification	Simplification is achieved through abstraction.	Simplification is achieved through “getting the gist” of research findings.

Source: Adapted from Henig (2008, p. 223).

non–social science experts or professionals in the policy area, from practitioners, from interest and advocacy groups, from peers, from trusted acquaintances, and from a policymaker’s own experiences. The fact that such information often is nonsystematic and/or anecdotal does not make it less important or, indeed, less relevant, in affecting policymakers’ decisions. In short, policymakers obtain information from many sources, of which policy research is only one, and research does not automatically displace understandings gained from other sources of information.¹⁷

Furthermore, information on potential policy impacts and their costs and benefits, whether from policy research or from other sources, is only one of many considerations that policymakers take into account in making policy decisions. Even if it is taken into account, it may be outweighed by one or more of the other considerations mentioned.¹⁸ Thus, for example, elected policymakers take into account the views of their constituents, as they understand them; the views of important constituents as they are expressed to them (for example, views of bankers on issues related to finance); the need for the support of specific interest groups in campaigns; the need for campaign contributions; the views of the party leadership; opportunities for visibility, “credit-claiming,” and

17. Weiss (1999).

18. Greenbaum and Landers (2009); Weiss (1999).

career advancement; and the fact that they are not considering an issue in isolation but as part of a larger set of decisions on which they will interact with their legislative colleagues.

Non-elected policymakers in the bureaucracy may take into account professional norms and operating routines related to their agencies' customary practices.¹⁹ They also consider the views of clientele groups or other groups or individuals that can affect their resources, and, of course, they consider the views of their hierarchical superiors.

Policymakers (like all human beings) resist changing their core beliefs.²⁰ A policymaker may ignore or rationalize research findings if they conflict with his or her ideology, self-interest, values, or previous experience.²¹ Policymakers may actively oppose research findings if they conflict with strongly held policy goals.²²

How to Encourage Greater Substantive Use of Policy Research

The threshold problem in encouraging greater use of policy research is ensuring the accessibility of policy research results to policymakers. That requires researchers to make a greater effort to disseminate results and make them comprehensible and compelling to policymakers.

First, the policy research community should produce more current state-of-knowledge literature reviews, taking into account the best studies and discounting those that have methodological problems. The reviews should not simply be presentations of contradictory results. Instead, they should come to conclusions about what the preponderance of the results suggests.

If policy researchers expect their research to have direct substantive impact, they will have to make greater efforts to disseminate it so that they get it into the hands of policymakers. Possible means include writing op-ed pieces and articles in popular journals and giving research findings directly to knowledgeable staff or to others in networks that can affect policy debates, such as professional associations and interest groups.

Findings do not mean simply results. Sometimes the most important contribution that policy research can make to help policymakers understand an issue is to clarify the concepts involved. What are we trying to do? Does this policy really contribute to achieving that goal? With what should we compare the effects of a policy? To a policymaker, comparing a policy to what would occur in its absence is not always an obvious thing to do, but it can be very informative.

19. Weiss (1999).

20. Sabatier and Jenkins-Smith (1993).

21. Weiss (1999); Greenbaum and Landers (2009); Hirasuna and Hansen (2009).

22. Greenberg, Linksz, and Mandell (2003).

To increase the ability of policy research to affect policy, policy research and the policy research community should

—focus particularly on the impact (or lack thereof) of policy-manipulable variables in reporting research results.

—not just say that something does not work; suggest what might work better.

—explore the effects of politically feasible alternatives even if they are not the best possible policies.

—say how large a policy's impact is likely to be and interpret that in view of how important a precise estimate of impacts is to policymakers. Do not just report statistically significant results.

—pay attention to distributional and other impacts of policies as well as to behavioral impacts.

—accept interpretive, qualitative approaches as legitimate forms of policy research. Understand that policymakers are trying to answer questions that are different from the kinds of questions that large-scale quantitative research is trying to answer. Use such approaches when they are applicable to your topic.

—be aware of the ways in which policy research is actually used in policymaking and write up research results accordingly. Be satisfied to have research used in policy debates and do not expect it to trump other influences on policymaking.

Policy researchers and the policy research community can reasonably aspire to have their research considered by policymakers. However, it is neither reasonable nor desirable for policy research and its findings to dictate policy choices. In a democratic polity, policy research is part of the policymaking process broadly conceived, including public debate, interest group conflict over policies, and negotiating, bargaining, and compromising among policymakers. Its proper role is to inform policymakers and policymaking, not to determine it.

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