Introduction

The Politics of Municipal Takeovers:
Power, Participation, and Protest

[I] go to various protests, marches, demonstrations, and meetings, and that seems to be, unfortunately, a way of life now. It's like you're always at some meeting, or carrying water bottles around, protesting, or making a video, or hashtagging. You're doing some type of action to voice what's going on in the City of Flint. And it's everything from the water crisis, to the high crime rates, to the no jobs and no living wages. I mean, it's various environmental injustices—it's various issues that we are all tackling at once.

—Jɪᴀ, community activist, personal interview, 2017

It's been a constant [state of] chaos, because I think as the community has tried to find a different path forward, it's run up against the various state laws.

—Cᴀʀʟ, former elected official, personal interview, 2015

Flint is one of a handful of American cities that has experienced a municipal takeover. Municipal takeover—the state-directed policy of declaring a municipal fiscal emergency, placing the municipality in state receivership, and appointing a manager to implement corrective action, is not common. Historically, except during periods of severe economic downturn like the Great Depression or, more recently, the Great Recession, the number of municipalities placed in state receivership in the United States has never been large. The number of municipal takeovers has been even smaller. This is in part due to that fact that state approaches to local fiscal crises vary considerably, ranging from nonintervention to aggressive interventions such as municipal takeover.[1] Michigan arguably has the *most aggres-*

sive state intervention policy, both in terms of the tools and powers provided under the law and their implementation.[2]

There is little consensus among scholars or the general public about how to refer to these strong state intervention policies: some, like Michelle Wilde-Anderson, have used terms such as "democratic dissolution," while others refer to them simply as "Municipal Fiscal Emergency Laws."[3] Residents of Flint primarily call them "emergency manager laws." In this book, the term "municipal takeover" is adopted to identify state-directed policies for declaring a municipality to be in a state of fiscal emergency and providing mechanisms for intervention that include (1) placing the municipality under state receivership; (2) handing over control of most or all local government decision making to a state-appointed manager, effectively relieving local elected officials of their governing authority; and (3) implementing a combination of tools intended to stabilize the local government's fiscal condition.[4]

Municipal takeovers are a policy of last resort, used when both local government and the local economy are unstable and crisis-prone. A state's concerns regarding credit downgrades, municipal bankruptcy, and fiscal contagion are common motivations for strong intervention.[5] Harold Wolman and colleagues highlighted this: "Cities whose economies are stagnant, whose residents suffer from poverty and unemployment, whose budgets are in chronic fiscal stress, and who require state aid to sustain basic services are a drag on the entire state economy."[6] Municipal takeovers, by design, are intended to be temporary and limited. Yet changes to city governance and the manner in which community members interpret the takeover have long-term political legacies. As such, municipal takeovers present a "policy paradox,"[7] wherein political struggles over conflicting values are often obscured by a discourse of rational decision making, short-term fiscal stability is pitted against local democracy, and neoliberal market solutions are valued over democratic principles of participation and deliberation.

Unpacking the Politics of Municipal Takeover

In public policy, value conflicts are everywhere. As Susan L. Carpenter and W.J.D. Kennedy noted, "Nearly all public contro-

versies entail divergent beliefs about what is right and what is wrong, what is just and what is unjust. Many policy decisions are essentially choices between competing values."[8] There are inherent conflicts in municipal takeover policy: it pits the values of the "market"—rationality, efficiency, and technocratic managerialism—against the values of the "polis"—equality, equity, and participatory democracy.[9] Moreover, the debate over municipal takeover, about both its design and its implementation, illustrates these important value conflicts and the paradoxes that underlie the policy's ostensible rationality.[10]

As such, the policy paradox perspective provides a useful framework for evaluating the current literature on municipal takeovers. As Deborah Stone points out, there are conflicts and trade-offs in public policy.[11] Many scholars within the fields of political science, public administration, policy analysis, and law have declared a "common mission of rescuing public policy from the irrationalities and indignities of politics," otherwise known as the "rationality project."[12] In other words, policy scholars have a tendency to view "policy" as rational, systematic, and scientific, while eschewing "politics" as "an unfortunate obstacle . . . to good policy."[13] Yet, in the case of municipal takeover, *attempts to depoliticize management are inherently political and have important political implications.* When viewed from the perspective of the "rationality project," scholars and practitioners often fail to take into account the role of politics and the values of the polis, including democracy, in the policy process.

Urban Fiscal Crises and Fiscal Stability

The literature of municipal takeovers draws overwhelmingly on economics and public budgeting and finance, focusing on efficiency and stability.[14] From a state's perspective, it is critical to intervene in local fiscal crises.[15] Local fiscal distress can require long-term state aid, becoming a drain on state resources. Failure to address local fiscal crises can lead to municipal bankruptcies and downgraded credit ratings of other localities and the entire state, known as the "spillover effect" or "contagion."

Cities are limited by their legal subordination to state government. While many states have adopted home rule protections

to support local autonomy and community control, (which are addressed in more detail below), cities are not free of state intervention under home rule, except in regard to "matters purely local in nature."[16] States have extensive fiscal *oversight* responsibility toward local and municipal governments. In this context, the takeover of a local government by a state is warranted when local fiscal distress threatens the economic or fiscal stability of the region or state.[17]

Anthony Cahill and Anthony James note that state interventions are desirable "in the interest of efficiency," while also recognizing that such policies are at odds with the political value of local control, "which holds that municipalities have significant roles and functions in the political system and that their existence should be supported, not supplanted."[18] These authors conclude, like many of their colleagues, that from a "rational" fiscal and economic perspective, municipal takeovers look like the best alternative, when compared to municipal bankruptcy or doing nothing.[19] Moreover, states have a fiduciary responsibility to guarantee that municipalities meet their obligation to provide services to the public.[20] As a result of the hegemonic "rational-fiscal perspective," little attention is paid to the potential long-term sociopolitical ramifications of municipal takeover policy.

Their ability to skirt the democratic process is not lost on those implementing the takeover policy. In 2011, in Benton Harbor, Michigan, for example, EM Joseph Harris dismissed criticisms that the law suspended local democracy. As one writer put it: "Blissfully free of the checks and balances of democratic government, he [Harris] is living the dream of every frustrated city administrator."[21] Harris said, "Here, I don't have to worry about whether the politicians or union leaders like what I am doing, I have to worry about whether it's the right thing to do. That's the only thing that should matter. I love this job."[22] A true symbol of the "rationality project," Harris seemed to enjoy the freedom to make determinations free from politics and public input.

David Kasdan, an urban studies scholar, notes that it is imperative that these EMs, or "hatchet men," as he calls them, strive for transparency and collaboration.[23] But transparency and collaboration were not on the top of Harris's agenda in Benton Harbor. In the case of Flint, that dynamic, especially the emphasis on

collaboration, has had serious implications, not just in the short term, but in the long term as well. More to the point, the nature of the collaboration or partnership matters.

Representative Democracy and Local Control

Municipal takeovers, by definition, suspend local control and representative democracy by removing or superseding the powers of local elected officials. Most criticisms of municipal takeover focus on this element and pay scant attention to the deeper, longer-lasting impact of takeovers on local politics. Whether they are political pundits like MSNBC's Rachel Maddow or protesters in the street, most critics focus on the removal of elected officials, calling it an "affront to democracy." Maddow, for example, posed the following questions regarding Michigan's municipal takeover law:

> Who gets to have a local democracy? Who is considered worthy of being allowed to elect their own local officials? And why is taking democracy away considered to be a prerequisite for fixing a broken place? Should your vote matter, even if the state doesn't like the decisions of the people you elect? Should your vote count?[24]

Here, Maddow focuses on the right to vote for elected officials and the importance of electoral politics and representative democracy. In other words, municipal takeovers are an affront to democracy because local residents are no longer governed by those they elected to represent them.

Under the representative democracy framework, elected officials (and their appointees) must, at a minimum, engage with voters and community stakeholders. State-appointed managers, on the other hand, are freed from the burdens of the democratic process. The primary mechanism for public accountability—voting—is rendered meaningless.

While this criticism is valid, it does not fully capture the reality that unelected officials are making decisions that carry consequences beyond their tenure. Critics overemphasize the issue of representative democracy and electoral politics and do not fully address the broader politics of the policy process. The institu-

tional structure or design of local government, which is modified under municipal takeover, impacts who participates or engages with government and to what extent their involvement influences decision making.[25] Moreover, these changes, including the mobilization of opposition, have effects that outlast the takeover.

In Flint, the EM eliminated citizen's district councils, thereby destroying one of the pathways for residents in low-income areas of the city to "fight blight and rehabilitate urban areas" as a part of the federal government's Community Development Block Grants process.[26] This is an example of how municipal takeovers go beyond the suspension of representative democracy and have the capacity to reshape the ways in which residents engage with local government.

Moreover, the narrow focus on representative democracy and the electoral process opens the "death of democracy" argument up to two important criticisms from takeover proponents. First, municipal takeovers are most commonly implemented in municipalities with already low voter turnout. As such, it could be argued that democracy is already dead, or dying, even before takeover. For example, prior to the municipal takeover in Camden, New Jersey, voter turnout in the 2001 mayoral race was only 26 percent. In 2009, in the midst of the takeover, voter turnout was 24 percent.[27] Second, many supporters of strong state intervention argue that it is not undemocratic because the people who drafted the laws and the governors who appoint the managers are democratically elected, and thus represent their interests.

Legal scholarship on municipal takeovers provides a broader critique, emphasizing the threat to local control. Wilde-Anderson refers to municipal takeover policy as a form of "democratic dissolution," emphasizing, for example, how the Michigan law "empower[s] Emergency Managers to replace all officials elected to govern the city." She states that the law "allows the [state-appointed EM] to literally lock local officials out of city offices, e-mail accounts, and internal information systems, if needed to minimize disruption of 'the Emergency Manager's ability to manage the government.'"[28] Municipal takeovers, from this perspective, are a threat to community control and popular sovereignty, concepts and practices that we hold dear.[29] This is an

important critique, but it lacks theoretical specificity as to how this disruption affects local democracy.

A Different Perspective: Power, Participation, and Urban Politics

The suspension of local control, broadly speaking, is a valid concern. However, not all members of the community are equally affected by the political impacts of a takeover. Critics of takeovers rarely delve into the possibility that some members of the community may welcome takeovers, while others may oppose them.[30] Moreover, decades of urban politics and policy research teaches that local politics is more than local elections or local elected officials and that key decisions are made outside of city hall and the ballot box.[31] Municipal takeover, by design, changes the structure and organization of local government and has the capacity to change who is making and implementing decisions.

Recent scholarship suggests that municipal takeovers can be a catalyst for changes in the local governing regime in smaller distressed cities by moving away from a "pro-growth regime" to a "community development regime" comprising high-capacity nonprofits, community development corporations (CDCs), and anchor institutions.[32] The suspension of traditional political processes and the presence of the EM, armed with a range of tools for fixing the city's economic condition, might encourage government departments, particularly the planning department, "to look more creatively at the city's future, creating an opportunity to increase capacity and right size government through public-private partnerships."[33] Municipal takeovers, therefore, create incentives and pathways for nongovernmental organizations to "step in and fill gaps" left by a weak or weakening local government.[34]

Recent scholarship on the subject and the example from Benton Harbor suggest that politics-as-usual is disrupted under municipal takeover. To the extent that takeovers are a shock, they create new opportunities and motivation to mobilize community interests. But, given the differential impact of the policy, community members respond in disparate ways. Much as Naomi

Klein argued in *Shock Doctrine* with regard to entire national economies,[35] this disruption, or shock, creates opportunities for already powerful community interests to gain even more influence in the local political system, further supporting the claim that some entities benefit from the takeover, while others lose.[36]

Municipal takeovers have the capacity to reorder governance and local policy making, and create new constituencies, by changing the "rules of the game."[37] Municipal takeover policies, like all policies, are "political forces that [have the capacity to] reconfigure the underlying terms of power, reposition actors in political relations, and reshape political actors' identities, understandings, interests, and preferences."[38] Insomuch as community interests are aligned with the policy's market-focused design and its development-focused agenda, they will reap the benefits of the policy (e.g., the sale of city assets and the privatization of services).

On the flipside, the policy may also have "self-undermining effects," wherein the "social consequences" of the policy, such as the disproportionate burden placed on already marginalized groups (e.g., low-income residents, the elderly—including retirees and pensioners—and Black and Latinx residents), can "reshape actors' preferences and capacities . . . in ways that diminish political support and expand opposition coalitions."[39] In other words, municipal takeover, with its lack of democratic process and disparate allocation of resources and incentives,[40] can shape peoples' understanding of their place within the local political order and how they should conduct themselves. Municipal takeover, therefore, does not avoid politics—it creates new politics.[41]

Policy implementation is like a "coordination game," in which distributive issues, such as who gets what and how, depends on the "relative power of the actors."[42] How political actors respond to these changes depends, in part, on whether or not they are included in the new—even if temporary—power structure. On the one hand, high-capacity nonprofit organizations, such as universities, hospitals, community development corporations, and foundations that have a development-focused agenda, are well placed to benefit. On the other hand, given the burdens placed on residents, coupled with the perception that the takeover is a threat to local democracy, the shock of the policy has the capac-

ity to mobilize grassroots groups and community residents that were dissatisfied with the previous arrangement and motivated to question or interrogate the emergent governing structure.[43]

Moreover, grassroots organizations not only organize protests, bringing visibility to their specific policy concerns, but also help frame the issue more broadly by identifying the underlying problem and its causes. Framing is used to inform people's interpretation of the issue,[44] using symbols, stories, and metaphors to mobilize and organize an opposition movement.[45] As such, community-based nonprofit advocacy groups and residents may coalesce around a narrative that further undermines the new policy. For example, Flint's leading opposition group, the DDL, was instrumental in drawing a clear link between the choices made by EMs and the Flint water crisis, providing a platform for whistle-blowers to come forward.

Race is another important dimension of municipal takeovers that is overlooked by the "rationality project," though evident in much of the criticism of municipal takeover policies highlighted above. An important social construct that organizes people's realities, race plays a significant role in how takeovers are perceived. In Michigan and New Jersey, municipal takeovers have primarily been applied to majority-Black cities, making discussions about race significant.[46] Claire McClinton, the leader of the DDL, noted:

> [The] Emergency Manager Law, signed by Governor Snyder, was driven by the perception that Black elected officials are dysfunctional, incompetent, and corrupt, and cannot be trusted to manage the affairs of the city.[47]

After the takeover of Detroit in March 2013, nearly half of Michigan's Black population lived in a city with a state-appointed manager and for all intents and purposes without an elected local government.[48] Table I.1 shows demographic information for cities that were under EM at its height of use in 2013.

Recent legal battles highlight the important and historically overlooked issue of race in municipal takeovers. On November 19, 2014, the U.S. District Court for the Eastern District of Michigan ruled that a lawsuit brought by plaintiffs throughout Michi-

Locality	Population	Black/ African American	% Black	% of State's Black population
Michigan (state)	9,883,640	1,400,362	14.17%	
Allen Park	28,210	604	2.14%	0.04%
Benton Harbor	10,038	8,952	89.18%	0.64%
Detroit	713,777	590,226	82.69%	42.15%
Ecorse	9,512	4,415	46.42%	0.32%
Flint	102,434	57,939	56.56%	4.14%
Hamtramck	22,423	4,317	19.25%	0.31%
Pontiac	59,515	30,988	52.07%	2.21%
Total Black population under EM, March–April 2013		693,124		49.50%

TABLE I.1 MICHIGAN CITIES UNDER EM, 2013

Sources: U.S. Census Bureau 2010b–i.

gan against the state's takeover law could move forward on the claim that takeovers disproportionately affect Black and African American residents and could be considered unconstitutional for violating the Equal Protection Clause in the Fourteenth Amendment, which prohibits discrimination on the basis of race.[49] However, the U.S. 6th Circuit Court of Appeals declared that while the law "might not be a 'perfect remedy,' it is 'rationally related' to turning around local governments."[50]

Flint: A Case Study of Policy-Making Politics

Over the past three decades, ten Michigan municipalities have seen the power of local elected officials reduced or usurped by the state for varying periods of time under the auspices of helping fiscally distressed municipalities.[51] Theoretically, these municipal takeovers are intended to be temporary and limited: once the fiscal crisis is abated, the city is supposed to return to its ex ante political status. Yet, the response to municipal takeovers has been mixed, and little is known about the political impact of these state interventions.[52]

To examine how municipal takeover policy has created a new politics, I have adopted a policy-centered single-case research design.[53] As Jacob Hacker, Suzanne Mettler, and Joe Soss have pointed out, in a policy-centered analysis, "policy serves as the focal point for a broader analysis of how political forces shape governance and how government actions reshape the society and polity."[54] In other words, this research project centers the concept of policy design and policy implementation. Thus, we can unpack the policy paradox of municipal takeovers by using the policy as an analytic lens and using Flint as the site of investigation.

This book uses the Flint case to examine how a takeover unfolded, what choices were made, and how community residents and community leaders made meaning out of and reacted to the experience. Flint, Michigan, was selected for its analytic and practical utility. After decades of White flight, economic disinvestment, and neoliberal policies, Flint, like many other deindustrialized cities, faced a staggering structural deficit,[55] and under the auspices of fixing Flint's fiscal emergency, Michigan placed the city under emergency financial management.

Like most cities that have experienced municipal takeover, Flint is a small city.[56] With a population hovering around 102,000, according to the 2010 Census, the city is substantially smaller than the largest takeover city, Detroit, which had a population of more than 711,000 at the time of the takeover.[57] It is, however, quite a bit larger than other cities that have experienced municipal takeovers. The population of Camden, New Jersey, for example, was approximately 77,000 in 2010, and Pontiac, Michigan, has a population of almost 60,000. Most cites in Michigan that have been placed under a state-appointed EM are even smaller, as indicated in Table I.2.[58]

Regardless of size, Flint is in other ways typical of the small cohort of cities that have experienced municipal takeover, making it a useful case to "probe causal mechanisms" and develop an explanation of how the takeover changed local politics that is applicable and testable in other takeover cities.[59] In other words, because Flint is similar to other cities placed under a state-appointed EM, it is, with regard to local economic and sociopolitical conditions (e.g., shifting demographics, decreasing revenue with increasing demands, and internally contentious

TABLE I.2 KEY DEMOGRAPHIC CHARACTERISTICS OF MICHIGAN CITIES THAT HAVE EXPERIENCED MUNICIPAL TAKEOVER UNDER PA 72, PA 4, AND PA 436

Locality	Years of intervention(s)	Population (2010)	Population change (2000–2010)	Housing: % vacant lots	% Black (2010)	% Population below poverty*
Allen Park	2012–2014	28,210	–4.01%	5.13%	2.14%	8.4%
Benton Harbor	2010–2014	10,038	–10.54%	18.04%	89.18%	n/a
Detroit	2013–2014	713,777	–24.97%	22.83%	82.69%	36.0%
Ecorse	2009–2013	9,512	–13.79%	19.76%	46.42%	n/a
Flint	**2002–2004** **2011–2015**	**102,434**	**–18.04%**	**21.14%**	**56.56%**	**38.5%**
Hamtramck	2000–2007 2013–2014	22,423	–1.84%	18.75%	19.25%	46.0%
Highland Park	2000–2009	11,776	–29.52%	23.73%	93.51%	n/a
Lincoln Park	2014–2015	38,144	–5.12%	9.72%	5.92%	16.5%
Pontiac	2010–2013	59,515	–10.29%	17.96%	52.07%	33.5%
Three Oaks	2008–2009	1,622	–11.03%	14.93%	1.11%	n/a
Michigan (State)	n/a	9,883,640	–0.55%	14.56%	14.17%	15.7%
Average†		99,745	–12.91%	17.20%	44.89%	29.82%‡

Sources: U.S. Census Bureau 2000, 2010a–i; 2008–2010 American Community Survey.

*Estimate, 2008–2010 American Community Survey.

†Average does not include state figures.

‡Average for available estimates.

politics), a useful case through which to examine *how* the policy reshapes governance and local democracy.

A Note on Research Methods

Research that examines how policies are "reshaping governance in enduring ways," is particularly amenable to a qualitative research design, as it requires in-depth, process-oriented, and context-specific investigation.[60] As such, the research for this book was carried out over a period of five years, but the bulk of the heavy lifting was done between March 2015 and September 2017. During that period, I spent a significant amount of time in Flint: sitting in coffee shops, attending community meetings, conducting interviews, and reading archival reports in the local public library.

This book draws heavily on interviews conducted during my fieldwork. In total, forty-eight interviews with community leaders and actively engaged Flint residents were transcribed, coded, and used in the analysis. Of these semi-structured interview participants, seventeen were Black (35.4 percent), twenty-nine were White (60.4 percent), and two were Latinx (4.2 percent).[61] While this does not reflect the population of Flint, where 56.6 percent of the population identifies as Black or African American,[62] the larger proportion of White participants is due in part to the nature of Flint's business and nonprofit elite, who are disproportionately White. Additionally, due to the nature of snowball sampling, White community leaders often referred other White community leaders and residents.[63]

The findings outlined in this book are based not only on these interviews but on an extensive review of city documents and city-affiliated websites, local and regional newspaper articles, and social media as well as attendance at city council meetings, charter review meetings, and community programs.[64] (My research design and methods are described in detail in Appendix 1.)

Organization of the Book

The organization of the book addresses this question: How does the implementation of municipal takeover reshape local democracy?

The next two chapters explore the fiscal and legal dimensions of municipal takeovers. First, Chapter 1 examines why cities go broke, exploring both internal and external factors that impact local fiscal health. This chapter explores the explanations for why Flint has repeatedly found itself facing fiscal distress—and two municipal takeovers. Chapter 2 then explores the variation in state responses to local fiscal crises, highlighting how Michigan compares to other states.

Chapter 3 lays out the project's theoretical framework. Building on Deborah Stone's policy paradox perspective, this chapter outlines how these ostensibly "apolitical" policies create new politics.[65] I argue that a municipal takeover represents a shock to a municipality, because it disrupts the political status quo by appointing an EM and placing the local government under state oversight. Though the policy is technically temporary, a shock of this nature has a long-term impact on local political institutions and processes. Actions undertaken by the state have broad implications for local governments and for urban democracy.

Chapter 4 begins my analysis of Flint's municipal takeover by contextualizing the Flint case. In order to fully understand the impact of the policy—particularly how contextual factors mediated policy impact—this chapter provides the necessary demographic, economic, and political background. I focus on Flint's history as the "Vehicle City," and highlight the city's evolution from a factory town to a distressed city. This chapter also provides a review of the city's political stakeholders. I pay particular attention to how the rise of the General Motors Corporation led to the growth of major political players such as the Charles Stewart (C. S.) Mott Foundation, labor unions, and a host of community and labor organizers.

Since 2002, Flint has experienced two municipal takeovers, four EMs, and thousands of executive orders, resolutions, and directives. Under the authority of EMs, the city of Flint went through significant changes. Chapter 5 traces the implementation of the municipal takeover in Flint, illustrating how the EMs relied on the "development regime," giving organizations such as the C. S. Mott Foundation and the Flint and Genesee Chamber of Commerce a prime seat at the decision-making table.

Chapter 6 then highlights key events and decisions that were

made under EMs, identifying the policies' instrumental and symbolic feedback effects.[66] While the development regime gained access, a disproportionate resource burden was placed on low-income and Black residents. These disparate policy burdens had both instrumental (e.g., resource) and symbolic (e.g., interpretive) effects. The chapter first examines the policy's instrumental effects, identifying the disparate allocation of resource benefits, resource burdens, and participatory access. The chapter then outlines, broadly, how different constituent groups made meaning out of the policy, focusing primarily on their interpretation of winners and losers.

Chapter 7 shifts the focus away from the top-down analysis of Chapters 5 and 6 by focusing on how grassroots groups translated the symbols, stories, and metaphors of policy resistance into action. The chapter focuses on grassroots and participatory responses to the takeover in two areas: protest and charter review. The chapter begins with a review of how the Flint DDL framed the takeover and mobilized opposition through contentious politics—particularly protest. The chapter then outlines how the charter review process also served as a platform for dissent. Though formal in nature, this forum for participatory engagement provided an important venue for the grassroots community, including opposition leaders, to inform local decision making and address changes made under the takeover. This chapter highlights how progressive activists, Black community leaders, and community organizers mobilized against the takeover and the development agenda, illustrating how the ostensibly apolitical takeover policy created new politics.

Chapter 8 further illustrates how Flint's takeover created new politics by investigating the divergent responses of two important political stakeholder groups: the high-capacity nonprofits that drove the city's development agenda and the grassroots associations that mobilized in opposition. Paying particular attention to whether and how these groups addressed the topics of race, class, and power in their framing of the Flint water crisis, the chapter illustrates how the grassroots groups, often working with little to no institutional support, framed their concerns around broader issues affecting the city: power and inequality, justice and rights, and democratic accountability—frames clearly linked

to their earlier efforts to challenge the takeover policy. This is in stark contrast to the high-capacity nonprofits, which were more embedded in the city's power structure and thus slower to express concerns, eventually framing their concerns around immediate individual and community needs.

The Conclusion presents policy recommendations. This chapter presupposes that policies should be designed to foster democracy, not undermine it. Community representatives should have an active role in addressing the fiscal concerns of the city. The preceding chapters provide empirical evidence of how municipal takeovers, which restrict democratic participation in order to expedite decision making, have political consequences. This chapter presents possible alternative models, including those adopted in other cities. Programs such as participatory budgeting give citizens the power to identify community needs and allocate government funds accordingly. Though in their infancy in the United States, such programs provide a model for fiscal decision making that seeks to increase trust in local government and foster a "renewed political culture in which citizens . . . serve as democratic agents."[67] While it can be challenging to fully incorporate all voices during a fiscal crisis—such programs provide evidence that there are ways in which local budgeting could be improved.