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COMMUNITY POWER STRUCTURE AND DECISION MAKING

IN AN URBAN COMMUNITY

DISSERTATION

Presented in Partial Fulfillment of the Requirements for
the Degree Doctor of Philosophy in the Graduate
School of The Ohio State University

By

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**TABLE OF CONTENTS**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACKNOWLEDGEMENTS</td>
<td>ii</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>v</td>
</tr>
<tr>
<td><strong>Chapter</strong></td>
<td></td>
</tr>
<tr>
<td>I. THE SOCIOLOGY OF POWER: AN OVERVIEW OF THE LITERATURE AND STATEMENT OF THE RESEARCH PROBLEM</td>
<td>1</td>
</tr>
<tr>
<td>Introduction</td>
<td></td>
</tr>
<tr>
<td>The Research Problem</td>
<td></td>
</tr>
<tr>
<td>Hypotheses</td>
<td></td>
</tr>
<tr>
<td>II. ISSUES IN THE STUDY OF POWER</td>
<td>16</td>
</tr>
<tr>
<td>Conceptual and Theoretical Issues</td>
<td></td>
</tr>
<tr>
<td>Methodological Procedural</td>
<td></td>
</tr>
<tr>
<td>Substantive Issues</td>
<td></td>
</tr>
<tr>
<td>III. RESEARCH PROCEDURES</td>
<td>56</td>
</tr>
<tr>
<td>Selection of Community and Issues</td>
<td></td>
</tr>
<tr>
<td>Data Collection Procedures</td>
<td></td>
</tr>
<tr>
<td>IV. THE COMMUNITY SETTING</td>
<td>68</td>
</tr>
<tr>
<td>Early History and Economic Development</td>
<td></td>
</tr>
<tr>
<td>Population and Ecology</td>
<td></td>
</tr>
<tr>
<td>The Present Economic Structure</td>
<td></td>
</tr>
<tr>
<td>Local Government and Politics</td>
<td></td>
</tr>
<tr>
<td>Communications Media</td>
<td></td>
</tr>
<tr>
<td>The Educational System</td>
<td></td>
</tr>
<tr>
<td>V. DECISIONS FOR HOSPITAL DEVELOPMENT</td>
<td>88</td>
</tr>
<tr>
<td>Introduction</td>
<td></td>
</tr>
<tr>
<td>Creation and Development of the Planning Agency</td>
<td></td>
</tr>
<tr>
<td>An Idea Becomes a Law</td>
<td></td>
</tr>
<tr>
<td>The First Building Program</td>
<td></td>
</tr>
<tr>
<td>The Second Building Program</td>
<td></td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Table</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Nominations of Top Leaders</td>
<td>152</td>
</tr>
<tr>
<td>2. Orientation of Planning Agency Board Members to Federal Assistance</td>
<td>162</td>
</tr>
<tr>
<td>3. Board Member Preference for an Ideal Type Planning Agency Director</td>
<td>163</td>
</tr>
</tbody>
</table>
CHAPTER I

THE SOCIOLOGY OF POWER: AN OVERVIEW OF THE LITERATURE
AND STATEMENT OF THE RESEARCH PROBLEM

I. Introduction

Following the publication of Floyd Hunter's *Community Power Structure* in 1953 and C. Wright Mills' *The Power Elite* in 1956, American sociology experienced a major revival of interest in the issue of power and especially community power. Both of these studies have become classics in contemporary sociology and have contributed to a new tradition of sociological research. Their impact within the discipline and upon a much wider audience has recently been judged to be phenomenal by the late Arnold Rose, who was one of the more prominent critics of their findings. Some evidence of the impact of Hunter's study may also be judged by the extent of criticism, debate and subsequent studies initiated by other researchers. In a recent review of the literature, Walton has reported the findings of thirty-three studies dealing with fifty-five communities. It may be noted

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that this list of studies was incomplete and that other studies have been conducted since the date of the review.  

In spite of the extensive controversy and research which followed Hunter and Mills' studies, there are still many gaps in the research literature and a need for studies oriented toward some neglected issues. Especially urgent is the need for systematic studies of metropolitan areas which focus upon the community as a whole and carefully delineate the research findings in a manner which facilitates theoretical synthesis. The need for additional research is strongly supported by Walton's research which revealed the very limited ability to offer firm generalizations about community power and decision making based upon the empirical research. It is the purpose of this chapter to present a brief overview of issues in the study of power, to describe the research problem and present the hypotheses to be tested in the investigation.

Perhaps the most basic issue in the study of community power is the theoretical perspective which guides the investigation. According to Cuber three theoretical positions are widely expressed in the power structure literature. These are the elitist, pluralist, and mass theories of power structure. The elitist theory holds that "... definitive power is held by a relatively small group of individuals who exercise control

upon the established institutions." In sharp contrast to this conception of the power structure is the pluralist position which views the power structure as dispersed rather than centralized. Thus, "Pluralistic theories, as the name implies, hold that contemporary community power and national power as well, is fragmentized among a considerable number of "veto groups," each of which hold . . . "countervailing power" over each other and the society." 4

The mass theories are similar to the elitest theories in that they emphasize the powerless character of most people in the society. Research from this point of view tends to concentrate upon "alienation, apathy, and other forms of disassociative behavior." It may be immediately recognized that the elitest and mass theories are complementary. In each case the masses are relatively powerless and in the final analysis the crucial decisions are made by a very small number of persons. There is, however, one critical difference. In the mass society theories, "the masses are presumed to be powerless because of the nature of the society and not so much because elitest groups usurp definitive power." 5

While these theories are widely represented in the power structure literature, the greatest disagreements have occurred in relation to the elitest and pluralist conceptions of power. Mills and Hunter have


5 Ibid.
represented the elitest views while a majority of their critics appear to represent the pluralist view in that they see the power structure as more dispersed. Since the work of these scholars has exerted such a profound influence on the recent study of power in American society, a brief summary of their positions and some of the criticisms directed to their work will be presented.

In his study of Regional City, a dynamic metropolitan community of approximately one half million population, Hunter found that the key decisions were dominated by a small economic elite which consisted of about forty persons who held the top positions in the economic institutions of the community. These persons were said to control the effective decision making processes for all major decisions in the community. Almost all were holders of top positions in economic organizations although a few were professionals. Other persons exercised some leadership in the community but for the most part, they were utilized in carrying out rather than making policy. Included in the community was a relatively large Negro subgrouping with a distinct leadership group, but none of these leaders were in the top leadership sector. Religious leaders were considered as relatively uninfluential, professionals were utilized for their expertise and major voluntary organizations were clearly dependent upon the elite group. Organized labor was portrayed as un-influential in major affairs although the general labor positions was stronger than in earlier years. Rather than being independent, local
government was also characterized as a weak institution.

Although many writers have disagreed with this image of the power structure, it was actually Hunter's research techniques which came in for the most criticism. Using what is now known as the top step reputational approach, Hunter asked the occupants of key economic positions to nominate the powerful leaders of the community. The use of this technique led to many charges of bias, the confusion of potential and actual power, and a built in circularity. Although the reputational approach is widely criticized, it should be pointed out that Hunter has a

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number of supporters as well as critics. 9 Rossi, for example has said that Hunter's quasi-sociometry may well remain as his most lasting contribution. 10 Even Dahl, who has been a chief spokesman for the opposing view indicates a belief that the reputational approach has merit as a legitimate way of studying community power.

Perhaps even more significant in the study of power by American sociologists is C. Wright Mills, The Power Elite. 12 Unlike Hunter who was an unknown figure until the publication of his Regional City study, Mills was an established scholar. And unlike Hunter's study of one community, Mills sought to portray the structure of power for American society as a whole and to interpret the meaning of the industrialization and urbanization of American society. Because of its purpose, which he said was "to locate the sources of power in an identifiable constellation of elites," Bell recognized The Power Elite as "one of those rare books in contemporary sociology that deals with the world of causality rather


than mere description or methodological discussion."  

While Hunter's study could possibly be dismissed on a number of grounds, including the criticisms of being non-theoretical, utilizing a circular set of research techniques which insured the finding of an elite dominance whether such a pattern existed or not, Mill's study required far more serious attention. In abbreviated form, we may summarize some of his ideas about the structure of power in American society. First, one of the most significant facts about American society is the enlargement and centralization of the means of power. Individuals and localized organizational units are quite uninfluential in national policy. With the development of America as a mass society, the means of power became much more centralized. Power in American society came to be wielded by a power elite which dominated the big decisions. According to Mills, the Congress was not the locus of the decision making for key events. Instead it was concerned with lesser issues and he argued that the effective decision making power was concentrated in the hands of a military-governmental-economic elite. Furthermore, the elite was said to be characterized by a considerable degree of social and psychological unity and sometimes by explicit coordination. He did not argue, however,


that the elite had emerged from a plot or that the actions were pre-
dominantly characterized by explicit coordination.

The forcefulness of Mills work attracted a great deal of attention
within American academic circles and among scholars in other countries.
According to Bell, a critic of Mills, the thesis of the power elite became
the thesis of the new left.\footnote{Op. cit., p. 47.} It is also significant that President
Eisenhower in his farewell address warned of a potential military-govern-
mental-industrial complex.\footnote{Quoted in Arnold Rose, The Power Structure, p. 36.}

The forcefulness of Mills' position also attracted the criticism of a
number of well known sociologists and political scientists including
Rose, Parsons, Janowitz, Dahl, Polsby, and Bell, who has been mentioned
earlier. Their criticisms include changes of factual errors, disagreement
with the mood of his argument (that of an outsider), conceptual differences
in regard to the definition of power and differences regarding the relation-
ship between the governmental and economic sectors of American society.
Bell argues that Mills has failed to demonstrate his case; his study does
not demonstrate the existence of an elite which makes the big decisions
affecting American life. He constantly brings the argument to the point
of analysis but fails to follow through and the elite of which he speaks

\footnote{Op. cit., p. 47.}

\footnote{Quoted in Arnold Rose, The Power Structure, p. 36.}
is not characterized by unity. According to Bell, "The theory of the 'power elite' implies a unity of purpose and community of interest among the elite which is not proven or demonstrated. It is simply asserted." Further, it is the mood of Mills, which portrays helplessness in the face of a bureaucratic society, that gives force to the argument for a highly centralized distribution of power. It is the use of such terms as bureaucratization and power elite which makes the study so appealing but to Bell, the use of these terms "often reinforces a sense of a helplessness and belies the resources of a free society." 

Parsons' review of Mills is more extensive and he indicates areas of agreement and disagreement. It is true he argues that the structural bases of authentic localism have atrophied and in an industrial society one should expect to observe the development of a rather well defined elite or leadership group in the business world. We must distinguish, however, between an elite in the economy and one in the society. Also in a complex society, the primary locus of power lies in the political system; government controls business more than the other way around. His disagreement also extends to the conceptual level in which he says that Mills views power in the zero sum sense as in game theory. Thus the focus is upon the one who has the power with the assumption that

the other members of the social unit are powerless.

Janowitz is critical of Mills' view of the military. Rather than being characterized by unity, he argues that the different military services have had a great deal of rivalry and conflict. To Dahl and Polsby, the notion of a ruling class or power elite is clearly unacceptable. Power is more dispersed and in this view they are more in accord with Parson's position.

In a study which has been said to finally dispose of Mills' argument and give serious weight to another view, Arnold Rose argues for a multi-influence hypothesis in contrast to the power elite thesis. Rose agrees that power is differentially distributed in American society and that there is a great deal of false consciousness, yet the thrust of recent

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legislation in the country especially since the Roosevelt years, has been counter to the wishes of businessmen. Some members of the economic elite have violated democratic norms; there is differential access to decision making, but the poorer citizens are not powerless. They have access to some means of power, the level of education is rising, voluntary associations are an important part of American society, and the ability of the population to veto measures by voting has increased. 22

The diversity of views just described illustrates the difficulty of dealing effectively with the phenomenon of power. When serious scholars disagree so fundamentally, it is obvious that we are confronted by a major set of problems. We should not pursue in greater detail, at this point, the problems uncovered in the sociology of power and particularly community power. What we have tried to do so far is to indicate something of the basic disagreements concerning the study of power, which in fact consist of disagreements on the conceptual-theoretical, methodological-procedural and substantive levels. These issues will be examined in detail in a subsequent section, with attention being given to the critical issues in the study of community power. We turn now to outline the purpose of this study and its relevance to contemporary sociology.

II. The Research Problem

In this study, we attempt to examine the structure of power and some related issues in a dynamic metropolitan community. Perhaps the study cannot contribute to definitive resolution of the debate between elitist and pluralistic conceptions of power in American community. We are confronted, however, with the need for serious community analysis. For sociology, there is a pressing need to improve knowledge of the structural features of the large metropolitan communities which increasingly characterize American society. Despite the range and scope of recent studies, we are still deficient in being able to predict the structure of power and the nature of decision making in relation to many community issues. Further, we are frequently unable to provide substantive knowledge for dealing effectively with public policy issues.

There is a growing need for more empirically grounded knowledge of and means for clear identification of the structure or structures of power in a community relevant to such needs as health, education, welfare, urban renewal, and other related problems. Such knowledge will also facilitate cooperation and understanding necessary for community planning, social action agencies and community development programs.

In this study we plan to examine the distribution of power in a relatively large metropolitan community, to describe the decision making

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23 Rose, op. cit., p. 133.
process for some key community decisions and to describe some of the leaders who have exerted major influence in the affairs of the community. The decisions in which we are most interested are those which have importantly affected community hospitals. In the study, we will examine the creation and life history of a community hospital planning agency and some decisions affecting the processes of fund raising and fund allocation. To supplement the analysis, we will explore other decisions and the participation of community leaders in other public affairs of the community. The study will utilize elements of the positional, reputational, and decision making approaches, plus relevant historical materials and data from Who's Who directories and Standard and Poor's Directory of Corporations and Executives.

In summary, we will be asking these questions: What is the nature of the structure of power in this community? What leaders are involved in community level decision making for major hospital issues? To what extent are these persons also involved in crucial decisions for other community level issues? Finally, what differentiation of leader roles can be found? Who mediates, who initiates, and who can veto decisions?

III. Hypotheses

Four hypotheses concerning power structure and the nature of local leadership will be tested. These hypotheses are:

1. The structure of power is characterized by several coalitions which unite and divide depending upon the saliency of the issue to the coalition.
As a test of this hypothesis, we will seek to determine whether the same group or different groups of persons are involved in key decisions which affect the major sectors of the community. If the key decisions investigated are made by the same group of persons acting in concert, the hypothesis will have to be rejected.

2. The power structure which engages in decision making for key decisions affecting the development of community hospitals does not engage in similar level decision making for non-hospital issues.

As a test of this hypotheses, we will attempt to determine the extent of overlapping participation in several community decisions.

3. The leadership structure is divided into several roles which are a function of positions held in the larger community system. Persons who are involved primarily due to their professional status play initiating and mediating roles but do not have veto power. Persons whose power and influence stems from their economic position hold major veto power and play instrumental rather than mediating roles.

Thus, professionals will be utilized to determine need for action and will serve in an advisory capacity. Economic influentials who have major access to financial resources will act primarily to veto proposals made by professionals in the employ of community organizations.

4. The orientation of community leaders may be characterized in terms of local-cosmopolitan dimensions. It is hypothesized that in decision making for community hospital development, the more influential leaders will be characterized by more local than cosmopolitan orientation.
Local-cosmopolitan orientations will be determined by comparison of attitudes toward the use of federal funds to finance activities of hospital planning agencies and attitudes toward an ideal type planning agency director.
CHAPTER II

ISSUES IN THE STUDY OF COMMUNITY POWER

In the first chapter we have briefly examined pluralist and elitist conceptions of power, which have dominated most of the research and discussions of community power. While these conceptions of power structure are of paramount importance, there are other important issues which need to be clarified. Earlier, it was observed that the range of disagreement in the study of power consists of differences on the conceptual-theoretical, methodological-procedural and substantive levels and it is the objective of this chapter to examine these problems. Before turning to specific issues, however, some general observations seem indicated.

First, the concept of power is a key concept in the study of social structure and process by several disciplines and on several levels of analysis. It is a widely used concept in the study of interpersonal relations, small groups, institutions, organizations, communities and societies and sometimes in examining the relationships between these units. The term is also widely used in much public discourse by individuals and the communications media, with the stresses and strains in American society often viewed in terms of a struggle for power. Like the phenomena of sex, some writers have observed that power is a subject of constant public discussion and is almost as difficult to study scientifically.
Perhaps as a partial result of the work of sociologists and political scientists such terms as the power elite, the power structure, establishment, ruling class and powerless individual have become a part of the common vocabulary. The term power itself evokes an array of mental images ranging from those involving the illegitimate use of force, coercion and manipulation against one's will to images of creative accomplishment, admiration, awe and respect for the powerful.

To some extent the student of power is suspect, within and outside the walls of academia. Alvin Gouldner, for example, suggests it is the radical sociologist who wants to study the power structure. Perhaps this is true, but many of the more conservative social scientists have also devoted their attention to the phenomena. In terms of intellectual interest, the study of power has partially replaced the study of leadership. We note a declining interest in studies of leadership but the intimate relationship between leadership and power should not be overlooked.


When we examine the recent trends in social psychology and the study of organizations, we also find an increased interest in the study of power rather than leadership. Further, the literature in these areas includes attempts to clarify the concept of power and to provide new theories as guides to future research. Especially significant in social psychology is the work of Cartwright, French and Raven. These authors have attempted to present systematic formulations of the conceptual properties of power and to identify the major bases of power relevant to the analysis of power relations.\(^4\) While these conceptions tend to focus primarily upon the more powerful members of a relational unit, Richard Emerson has advanced another conception which stresses the attributes of the dependent member(s), especially in terms of needs and alternatives.\(^5\) This formulation has been further utilized by James Thompson in his conceptual schema for the analysis of complex organizations.\(^6\)

While the study of power in a number of settings has received more attention, we should be aware of the disagreement over the level of

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explanatory value attached to the concept and the problem of ideological bias. In a recent attempt to evaluate the utility of power in the study of social choice, March comes to the conclusion that the explanatory power of power is over-estimated. In conclusion he argues that

"Given our present empirical and test technology, power is probably a useful concept for many short-run situations involving the direct confrontations of committed and activated participants. Such situations can be found in natural settings, but they are more frequent in the laboratory. Power is probably not a useful concept for many long-run situations involving problems of component-overload (more demands than actors can meet in the time available) and under-comprehension (the world faced is more complicated than the actors can handle)."

March is not alone in this general evaluation. If we accept the view of American society argued for by David Riesman in the early fifties, we might also decide that the attempt to study the structure of power is fruitless. In his view, the ruling class has been replaced by veto groups, none of which have the capacity to initiate national policy on their own. Their greatest strength lies in being able to veto the proposals of others. Drift, indecision, and lack of concerted action are more evident than the coordinated control argued for by Mills and his followers. In a similar

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8 David Riesman with the assistance of Nathan Glazer and Ruel Denny, The Lonely Crowd, New Haven: Yale University Press, 1950, p. 257. Riesman says, "Power in America seems to me situational and mercurial; it resists attempts to locate it in the way a molecule, under the Heisenberg principle, resists attempts simultaneously to locate it and time its velocity."
manner, Norton Long suggests that much of what happens in the large urban community is a result of the unplanned action of no one and just as the ancients believed in magic for dealing with the unknown, we have created the myth of top leadership to fill our gaps in knowledge of the community. Top leadership is, therefore, symbolic and is created primarily by the belief in its necessity.

In his review of the studies of community power, John Walton raises the question of whether the method used determines the outcome of the power study and shows that most sociologists have used the reputational approach and have most frequently found pyramidal or monolithic structures while political scientists have used the decision making approach and have found coalitional or pluralistic structures. Thus the study of power becomes a problem for the sociology of knowledge and we are confronted with the possibility that the findings are so ideologically biased as to be non-scientific. The student of power should at least be aware of the finding that method has been found to be associated with outcome of the study. Such a view is held by Leonard Reissman who argues that "the only error that can be made in this connection is to maintain

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ideological innocence under the mask of scientific disinterest. With this background, we now turn to a closer analysis of the conceptual and theoretical issues encountered in the literature on community power.

I. Conceptual and Theoretical Issues

A. Conceptual Issues

According to Arnold Rose, we are faced with three conceptual problems in community power analysis: the confusion of potential and actual power, the use of influence, authority, control and leadership as synonyms for power and the failure to distinguish between generalized and specific sources of power. Also as Rose, Danzger and others have observed, much of the debate about the appropriateness of the reputational approach to the study of power stems from the more fundamental disagreement about the nature of power. Three definitions frequently cited in the literature are those of Max Weber, Bertrand Russell and Lasswell and Kaplan. Weber has defined power as "the chance of a man or of a number of men to realize their own will in a communal action even against the


resistance of others who are participating in the action." By emphasizing the chance factor, Weber apparently took a position similar to those who have studied power in terms of potential ability to influence a decision-making process. His conception also emphasizes the factor of overcoming resistance and does not assume that the opponents are powerless.

In contrast, Bertrand Russell sees power as "the production of intended effects." Those who are powerful have the capacity to realize their will in a given situation. From the viewpoint of Lasswell and Kaplan, power is participating in a decision. Apparently, they mean that those who participate in the decision process the power while the non-participants are in effect powerless.

According to Dahl, the study of power should focus upon participation in the making of decision. We may study power by the analysis of positions, by the reputational approach and by the decision making approach.


We cannot measure the power of a given person, however, without a predetermined objective standard for measuring his influence in the decision making process. Dahl is especially critical of Hunter's study because it failed to deal with behavior in specific decisions and is therefore at best a study of potential power.

In his comparative study of two small communities in which he used the reputational and decision making approaches, Presthus emphasizes the structural aspects of power. Thus, he says, "In this study, we shall conceptualize power as a system of social relationships." He sees men as powerful only in relation to others and does not distinguish between potential and actual power.

The definition of power used by Mills in the *The Power Elite* is the subject of disagreement. According to Daniel Bell, Mills sees power as dominations which results from the holding of positions in powerful organizations. Rose argues that Mills has defined power as actual behavior with intended effects and he concurs in the acceptability of this definition.

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20 Rose, op. cit., p. 52-53.
Perhaps a fair resolution of the issue of potential and actual power lies in the separation of structure and process as distinct variables for analysis. Possessing a position or a reputation recognized as powerful is only an indirect rather than a direct measure of power previously exercised. Determining actual power requires the evaluation of behavior in concrete situations. Also as some writers point out, the possession of power does not always insure its use. In order to predict its possible use, we need to know the specific issue and its saliency to the goals of those whose power is in question.

Separating the meaning of the concepts of power, influence, leadership, authority and control presents us with some difficult problems. This is especially true in regard to power and influence which have been seen as suitable synonyms. Hunter does not distinguish between the two terms and while the reputational techniques he uses focus more upon structural elements of power, he defines power in behavioral terms as "the acts of men to move others to act." Banfield distinguishes between authority, control and power and then suggests that "influence is a generic term including authority, control, and power." Top influentials

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21 Spinrad, op. cit.; Danzger, op. cit., p. 715.


Polsby sees the terms power and influence as serviceable synonyms, while Agger proposes to use them interchangeably since he has found that people tend to use them as equivalents.

Several typologies of leaders and influential are found in the literature. One of the earliest typologies is suggested by Delbert Miller who distinguished between top influential and key influential in comparing the dominant leaders of three cities. Top influential were described as those who exercise influence generally and possess a broad power base. Key influential are those who exercise influence in a particular area and who have a narrower scope of power. A similar typology of leadership is suggested by Irwin Sanders who identifies six leader roles based upon the community system, range and duration of influence which may be exerted. Freeman and his associates prefer to emphasize leadership rather than power in their study of decision


In his discussion of the conceptual problems of power, Dahl speaks of potential and actual influence as well as potential and actual power. Also, just as power is said to rest upon coercive and consensual bases, Dahl distinguishes coercive and reliable influence. Apparently he feels that the two terms are analytically separable but his conception of the measurement of power rests upon determining the amount of behavioral change in the position of one actor as a result of influence exerted by another.

While no definition of these terms may be satisfactory, it occurs reasonable to suggest that authority is associated with a position and rests upon consensus regarding appropriate action. Also, the incumbent of the position is expected to follow the appropriate line of action. Leadership consists of action directed toward the attainment of collective goals and in most of the literature the goals are held to be instrumental and affective. Influence may be exerted by leaders, persons in authority and persons with power. Following Parsons' definition, we may see influence as "a medium of persuasion which relies not on acceptance of


29 Dahl, op. cit., p. 47.
the intrinsic argument presented, but on the prestige or reputation of the source of the argument." Solving the definitional problem of power rests in part upon the choice of studying structure or process. A critical difference in all of the formulations of power centers around this choice of emphasis and while most of the older conceptions have tended to emphasize the structural elements some of the more recent formulations place emphasis upon the interaction process. In Cartwright's field theoretical conception of power it is suggested that the analysis of power should concentrate upon the relationship between actors, the acts of those involved, the motive base (needs of the dependent member to which the resources of the more independent member are coordinated), the magnitude of the relationship and the time period involved.

In a formulation which has gained considerable acclaim from political scientists, Parsons has suggested the view of power as a medium of

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31 Dorwin Cartwright, op. cit.

32 See Karl W. Deutsch, The Nerves of Government: Model of Political Communication and Control, New York: The Free Press, 1966, p. 116. Deutsch says, "Dahl has opened the way to quantitative measurement of power in certain types of situations. Lasswell has put power into the context of a network of other possible base and scope values, and has thus classified its meaning over a wide range of conditions. Talcott Parsons, in his current work, is taking the next step. He is putting power into the dynamic context of a flow of interchanges between the main subsystems of society; and, in doing so, he has perhaps opened a path to a more fundamental reinterpretation of power than has been possible since the days of Hobbes and Locke."
exchange. In commenting upon Parsons' view, William C. Mitchell argues that just as an economist does not analyze the distribution of income, Parsons would not analyze the distribution of power. His interest is characterized as the study of 'political incomes.' To Parsons, power is a medium of exchange which in the polity serves similar functions to money in the economy. While we are interested in the amount of money a person has, the question for power is not how much a person possesses, but what his position is relative to others in decision making. The important question is not whether one person has greater power than another, but whether he has power over the other.

Given the difficulties encountered in the study of power, Parsons suggests that they come to a head at three points. First, conceptual diffuseness in which money and influence are sometimes treated as forms of power making it logically impossible to treat power as a specific mechanism. Second, the problem of the relation between coercive and consensual aspects of power. The bindingness or commitment in the relationship requires the existence of both aspects and Parsons says he

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is not aware of any satisfactory resolution to the question of the relation between the two elements. He disagrees with those who argue that power in the final analysis comes down to coercion and holds that coercion and consensus are both necessary. The third point is what he calls the zero-sum problem after studies in game theory. He argues that most earlier writers about power including Lasswell and Kaplan, Dahl and Mills tend to see power in the zero-sum sense in which the power of a given relation is viewed as fixed and any increase in the power of one member must be at the expense of the other. The less powerful member is not powerless, except perhaps in very unusual circumstances. Just as the person who possesses only one dollar has some money, the less powerful member also possesses some power even though it is relatively insignificant.

B. Theoretical Issues

Having made a distinction between potential and actual power and then linked these aspects of power to the sociological concepts of structure and process, we have indirectly identified one of the problems of locating power in its proper theoretical context. This problem is the issue of the relationship between power and social stratification. Is power, in fact, best conceptualized as a dimension of social stratification and if so, what theory of stratification is appropriate for dealing with contemporary urban communities? It is conventional practice in American sociology to view power as one of three dimensions of stratification. Whether we are concerned with the analysis of the structure of small
groups, the hierarchy in complex organizations, the ranking system of a community or a society, power is most frequently viewed as a dimension of a status position in the stratification system. Influence, authority and control are also viewed as aspects of positions held in the system.

Since the theoretical position set forth by Max Weber in his essay, "Class, Status, and Party," became a crucial part of the literature on stratification the predominant tendency among sociologists has been to identify the fundamental dimensions of stratification as class, status and power or in some cases as wealth, prestige and power. An outstanding example of this is one of the most widely received books in stratification which bears the title, Class, Status and Power. Some additional impression of the widespread acceptance of power as a basic dimension of stratification may be seen in the range of research in which these concepts have been employed. Studies of status crystallization are concerned with the relative amounts of wealth, prestige and power possessed by a person. Status inconsistency leads to attempts to

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equalize the disparity of rankings and in cases of gross discrepancy may lead to extreme behavioral outcomes. Radical political behavior is explained in part by the loss of power or by the failure to receive appropriate recognition. Mental and physical illness are also possible outcomes depending upon the severity of the stress and strain.

Based upon the extent of research acceptance, it seems fair to say that most sociologists do accept power as a dimension of stratification. In his critique of community power studies by sociologists, Nelson Polsby, a political scientist, argues against "the stratification theory of power." He suggests that the sociologists who use the reputational approach to studying power confuse power with social status. He argues that 'stratification theory' is characterized by five propositions: (1) the upper class rules in community life; (2) political and civic leaders are subordinate to the upper class; (3) a single power elite rules; (4) this upper-class power elite rules in its own interests and (5) social conflict takes place between the upper and lower classes.

While Polsby's criticisms may be true for some studies, his listing of the propositions contained in stratification theory represent only those which may be derived from a particular theory of stratification and ignores other relevant theories. The best example of Polsby's conception of

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37 Polsby, op. cit., p. 10-11.
stratification is the economic determinism theory advanced by Marx. In this theory of stratification, two classes are identified which are the ruling class and the oppressed class or the masses. Power in this view is economically determined and is held by those who control the means of production. The modern approach to the study of power as defined by this theory would be the positional approach which is rarely used except in conjunction with other methods.

The conception of power advanced in Weber's theory of stratification is considerably more complex. In his view, the power of a person is determined by more than economic factors. To be sure it is economically conditioned but it is also conditioned by such factors as status honor and the rights and privileges guaranteed by law. Some researchers might confuse power and social status but in doing so, they would be identifying potential power rather than the actual exercise of power except in terms of the reputation reflecting past action or membership in a group with a reputation for action.

Another theory of stratification which the researcher might adopt and which contradicts the propositions set forth by Polsby is the functional

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theory. Rather than postulating the emergence of a single ruling class or power elite based upon class or status, the functional theory postulates a series of elites which are related to the different institutional orders in society. For each of the major institutional orders, scientific, religious, educational, economic, governmental, military and other orders, we have the emergence of an elite group. Power is viewed as much more dispersed in the system, for unlike Marx, the functionalists seek to broaden the bases of stratification, and see the ranking of positions as determined by their relative contribution to the functions considered vital by the society. Thus, instead of one powerful group, a community is characterized by several groups which are powerful.

Another theoretical issue confronting the student of community power is the problem of dealing with attributes of persons as opposed to structure or behavior. Many leaders are characterized as charismatic leaders especially in the popular literature about leadership. Presumably the person possesses unusual organizational skill, rare abilities to motivate followers or perhaps unusual intelligence and talent. To the extent that power is based upon personal factors we do not have a suitable schema for dealing with the problem. As Spinrad suggests, we might include

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factors relevant to the career of the person involved such as the desire and opportunity to make a name for himself. A more satisfactory solution to this problem might be the study of the needs and alternatives of the persons who see the leader as charismatic following line of analysis suggested by Richard Emerson. Since charismatic leaders are not recognized as charismatic except in relation to their followers, the more appropriate focus would consider their social situation in terms of needs and alternatives for others to fulfill the same role.

A final theoretical problem concerns the relationship between the stratification systems of communities and other aspects of community structure. According to Peter Rossi, this problem constitutes one of our most serious gaps in knowledge of the social organization of communities. Both Rossi and Rogers have suggested hypotheses and areas of investigation for future research concerning this issue. Since there is some empirical research which bears upon the problem, it will be introduced again in the discussion of substantive issues.


II. Methodological-Procedural Issues

As indicated earlier, the most important methodological issue is the question of whether the method used determines the type of power structure found. Since the publication of Hunter's study, the reputational approach has been the subject of debate and controversy regarding its utility and whether it does not in fact determine the type of power structure which will be found in a community. The reaction to the use of reputational procedures ranges from Wolfinger's plea for a decent burial, to Rossi's comment that Hunter's most lasting contribution may well be the operational form he gave to the study of power. Rossi says that "Before Hunter only the Lynds paid attention to this feature of social structure, and this interest of the Lynds did not start a tradition because they were unable to communicate the techniques by which they singled out the "x"

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family as the dominant center in Middletown now knows that to define the powerful he can employ some modification of Hunter's balloting. 45

The ideological tenor of the debate is reflected in the choice of terminology such as Polsby's paper entitled, "The Pluralist Alternative." 46 Since the findings of research have varied partially in relation to the method used, some validity may be accorded the position that method is associated with outcome of research. The problem though is more complex than this. As we have attempted to show, there are several aspects of power and with the phenomena being different, it seems logical that the assessment techniques should be different. In view of these considerations, it is necessary to examine the approaches used in community power analysis and to compare their assumptions, advantages, and disadvantages.

The number of methods identified in community power research usually consists of the positional, reputational, and decision-making approaches. Bell, Hill and Wright in their discussion of public leadership list five major approaches which include positional, reputational, social participation, opinion leadership and decision-making or event analysis. Other approaches include the study of newspaper citation, participant


observation and the use of published listings such as those in *Who's Who*. 47 Walton adds to the usual three approaches, the case study and combined methods. 48

The trend seems to be away from the use of either method exclusively to reliance upon combined approaches such as in the study by Presthus. According to Bonjean and Olson, we have had a "shift in preference and use from the positional to the reputational to the decisional method, and finally to a combination of methods for the identification of leaders."

Since most studies rely upon the positional, reputational and decision making approaches, the assumptions and procedures associated with these approaches should be compared. 50 The positional approach assumes that power is correlated with position in a hierarchy. In contrast to the


other methods, several writers have suggested that this approach is characterized by few procedural problems. A major virtue is its simplicity; official hierarchies are usually well defined and membership lists are easily obtainable. Comparability is built into a study since the social characteristics are readily verifiable. The disadvantages include first of all the assumption upon which the approach is based; power is not necessarily correlated with formal position. Another problem is the selection of positions for study. Do we include economic, governmental, educational, religious and other top positions in various organizations or do we select particular ones? Finally, the method excludes those who are powerful but do not hold positions open to public scrutiny and who may exercise their power behind the scenes. The greater use of this method seems to be in preparing lists of actors who are then studied by the reputational or decision making approach.

The reputational approach assumes that those who have a reputation for power are powerful in that as individuals they have exercised influence or either belong to a group or organization which has been influential. Its virtues include the identification of persons who could not be identified by examining lists of formal positions or the reports of who participated in a particular decision. Also, as in the case of the positional approach, it is relatively economical and not exceedingly time consuming. According to Walton, two versions of the approach may be used. One is a single step procedure in which the persons interviewed are asked to list the most powerful, the most influential of the leaders of the community.
The second is a two step procedure in which the researcher compiles a list of names which are presented to knowledgable informants who are then asked to select the most powerful persons.

The disadvantages cited in connection with these procedures are many. First, we are placed at the mercy of the judges. They may not know the situation; different meanings may be attached to the terms power and influence than the interviewer intends; the response is not a measure of power acts but power reputation. There is also the tendency to confuse scope of power and influence for which the person has a reputation. Finally we have a problem of sampling: Which members of the community do we select for the interviews? By indiscriminate selection of judges we run the risk of economic influentials naming only economic influentials. Some criticisms that have been voiced which seem untenable are the charge that the method incorporates an a priori assumption of a monolithic power structure when several powerful groups may exist and the charge that a ruling group is assumed.

The decision-making approach rests upon the assumption that participation in a decision making process means power. In contrast to the criticisms leveled against the positional and reputational approaches, few have been critical of this method of studying community power. Also, as some proponents of this method argue, the positional and reputational approach seek to study decision making in an indirect manner and make assumptions about the nature of the decision
process. According to Dahl, the virtue of the decisional method is its focus upon actual behavior rather than position or reputation. We are in fact studying the acts of specific individuals and by using this method it is suggested that we can trace various patterns of power, distinguish general and specialized power bases and weigh the amount of power exercised.

This approach presents many operational difficulties. In contrast to the positional and reputational approaches, it is more costly and time consuming. In many cases the decisions may not be amenable to analysis. Also, to focus strictly upon the acts of office holders who have the responsibility for decision making may be very misleading. Rather than making the decision they may in fact simply announce it and one is confronted with the need for examining behind the scenes action. Also being present when a decision is made is not always a reliable indicator of power. Many members of the decision making group may be present and play unimportant roles in the decision making process. Thus in evaluation the difficulties of the decision making approach we are confronted with two sets of problems, one of which centers around the behavior of participants and the other around the nature of the decision. As Dahl


suggests, the problem of participation may be solved by determining the roles played in terms of who initiates action, who supports the action and who seeks to act in a veto capacity. 53

Solving the second set of problems is somewhat more difficult. Many issues are not openly decided and when vital interests of the more powerful are involved, strenuous attempts may be made to prevent the issue from breaking out into the open. The decisions open to investigation may therefore be concerned with trivial matters which do not affect the direction of the community and will not result in any alteration of the existing social structure. It is clear from several studies particularly those by Schulze and Banfield that the more economically powerful do not participate in the decisions in the community. Schulze documents the withdrawal of the economically powerful from the affairs of a satellite industrial community and laments the absence of leadership in the community by the heads of the large companies. 54 Banfield shows that the potentially powerful in an economic sense failed to participate in the decisions which he studied in Chicago. 55 If these studies are correct, we have a problem in interpreting


the lack of participation as well as evaluating the actions of the participants in the decision process. Danzger has suggested that a resolution of this problem is in terms of the saliency of the issue to the various groups in the community. He suggests that potentially powerful groups will become involved when the issue is salient to their goals.

III. Substantive Issues

In addition to the issues first discussed, there is also a need to present a brief review of a third set of issues which relate to the structure of power and the actions of powerful groups in relation to specific community issues. For convenience each will be dealt with separately. First, we will examine some community characteristics in relation to the structure of power with the type of power structure being seen as dependent upon various characteristics of the community. Second, we will examine some of the findings of research concerning such issues of urban renewal, the relationship between public school system and community structure, general hospitals and community structure and decisions for local hospital development.

A. **Power Distribution and Community Structure**

While the greater research interest in community power has been guided by pluralist or elitist conceptions of power, some attempts have been made to relate the distribution of power to other community characteristics. In a very provocative discussion of community structure, Rossi has suggested that four types of power distributions may be found in American communities and that the distribution varies systematically in relation to several features of community structure. In a similar vein, Rogers has presented a set of hypotheses linking the economic system and characteristics of the community population to the distribution of power. Walton has tried to test some of these hypotheses in a survey of the power structure literature published between 1953 and 1964.

Rossi argues for the importance of three sets of structural factors, which include the professionalization of political roles, rules for the election of political officials and characteristics of the electorate. Where political roles are highly professionalized, the governmental sector is characterized by greater power in the decision making process. When the community is characterized by a two party system, by partisan elections as opposed to non-partisan and the number of officials elected is large rather than small, (long versus short ballot) the probability of a

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more decentralized power structure is held to exist. Political homogeneity of the electorate, non-partisan elections, and short ballots make for a more centralized distribution of power and a lower probability that open political struggles are clashes of interest. Given a heterogeneous electorate and a high degree of political crystallization (political lines following racial, religious, class lines), it is further suggested that political institutions take on an increased importance in decision making for the community.

Four power distributions are distinguished by Rossi: pyramidal, caucus rule, polythith and amorphous. By pyramid, he means a distribution of power in which the "Lines of power tend to have their source in one man or a very small number of men. Decision making tends to be highly centralized, with lower echelons mainly carrying out major policy decisions made by the small group at the apex." Caucus rule exists when the "Lines of power tend to end in a relatively large group of men who make decisions through consensus. Decision making is a matter of manufacturing consent among the "cozy few" who make up the caucus." In both of these cases we have centralized distributions of power and the problem of research would be to identify the structural features which make for convergence. In the next two cases we have divergence of power lines. In polythithic communities there are "Separate power structures definable for major spheres of community activity. Typically, local government in the hands of professional politicians backed by the solidary strength of voluntary associations, with the community service
organizations in the hands of business and professional subcommunity."
In the amorphous distribution we have "No discernable pattern of power."
This forms a residual category and Rossi does not give any examples of
communities in which such a distribution is found. Pyramidal distri-
butions are very likely to be found in dormitory suburbs since there is
no "class basis for countervailing political power." 60

In addition to Rossi's identification of relevant political features in-
cluding characteristics of the electorate, a number of hypotheses have
been advanced concerning the economic system. 61 The basic variables
here are the nature of the economic system in terms of advanced or
limited technology, agricultural or industrial, diversified or single
industry interlocking ownership and relation of the community to the
larger society in terms of absentee owned corporations. A highly
diversified, industrial economy should lead to a less concentrated power
distribution and the presence of many absentee owned corporations. A
highly diversified, industrial economy should lead to a less concentrated
power distribution and the presence of many absentee owned corporations
may result in an amorphous power arrangement.


61 See: Rogers, op. cit., Roland J. Pellegrin and Charles H. Coates,
"Absentee-owned Corporations and Community Power Structure," American
Journal of Sociology, 61, (March, 1956), pp. 413-419.
Walton has also identified four possible power distributions but has characterized them in a slightly different manner than that of Rossi. The distributions identified are: pyramidal (in which we have a "monolithic, monopolistic, or single concentrated leadership group"), factional (in which there is "at least two durable factions"), coalitional ("fluid coalitions of interest usually varying with issues"), and amorphous ("absence of any persistent pattern of leadership"). The major difference between these types of power distributions is the manner in which conflict is anticipated among the more powerful members of the community.

Reviewing thirty-three studies of fifty-five communities, Walton has tried to assess the relationship between power structure found and four sets of variables including population characteristics, the economy, the issues or decisions analyzed in the study and the method used. From the review Walton concludes that the hypothesis of "socially integrated, heterogeneous populations having less concentrated power structures" is not clearly supported. The data, however, do show tendencies in this direction. Likewise, the hypotheses of less concentrated power structures in communities with high proportions of absentee owned corporations and communities with diversified economic bases are supported but not conclusively. The most conclusive relationship found in the study was the

association of method with type of power structure found. Whether the hypotheses about political structure as suggested by Rossi are supported by the literature is not known. To this point no systematic, comparative community studies have been conducted which utilize these variables.

B. Power and Community Issues

While it is evident from many studies that the powerful forces engaged in action in regard to issues raised in the community vary considerably, it is not at all clear what factors govern the decision of a powerful group to participate or remain on the sidelines. In his study of Cibola, Schulze documents the 'withdrawal of the economic influentials.' Banfield has documented the absence of the most wealthy individuals in the decision making process for several issues in Chicago. Dahl argues from his study of New Haven that the old aristocracy and business interests were absent from much of the decision making process in New Haven. Studies of the fluoridation controversy indicate that the issue is often supported by professionals, especially dentists, health officials and others plus

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some segments of the highly placed members of the economic sector and yet the issue is most likely to lose. Greer argues that the civic leadership of most cities in the U.S. is drawn from the metropolitan newspapers, local banks, real-estate companies, public utilities and retail merchants. The fortunes of these businesses unlike those which are absentee owned are inextricably linked to the community as a whole. Their assets are committed and the civic leaders are drawn from these ranks because they are committed to the community and have no place else to go. Officials of the large corporations are largely neutral actors except in the community in which the headquarters is located.

To deal with this problem it has been suggested that an issue is judged in terms of its saliency to a group. Issues which are salient to politicians elicit their participation, issues salient to religious leaders elicit their participation, those salient to businessmen elicit their participation and so on down the line. What makes an issue salient to a particular group, however, is not clear from the literature. It appears to be assumed, however, that a particular group will seek to defend its interests and that those who possess power will seek to maintain their position.

Some scholars hold that the study of community power must take into consideration the absence of decision making as well as the study of

decision making itself. Bachrach and Baratz have challenged the basic assumptions of the decision making model used by Dahl and his colleagues in their study of power. While analyzing only the decisions made in a community, their model takes no account of the fact that power "may be and frequently is exercised by powerful groups in confining the decision making to relatively safe issues." This approach is further said to be characterized by the absence of objective criteria for distinguishing between key and routine decisions.

It is at this point that the research interests of sociologists and the applied interests of professionals engaged in community planning coincide. Community planners need to be able to predict which segments of the community will support or oppose social action. In order to be effective, they must have means for identifying resources which may be co-ordinated to meet the needs of the groups and organizations represented by their actions. Thus a contribution to sociological analysis of community structure will also result in a contribution to applied social action.

Four issue areas in which concrete findings exist in regard to community power and decision making are urban renewal, the school system, hospitals and a typology of governmental versus non-governmental issues.

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1. **Urban Renewal.** Based upon the studies of Crain and Rosenthal, urban renewal is clearly an issue which elicits the participation of businessmen. They also argue that "the establishment benefits from urban renewal. Businessmen concerned with saving the central business district, city fathers trying to keep the property tax base up, and developers looking for sites, all profit in obvious ways." Sometimes the decision making is very undemocratic and the needs of the residents in the urban renewal area are the last to be considered. Being poor, unorganized and possibly members of minority groups, the residents are not consulted and the problem of relocation is a major one in the course of their lives. Often the residents lose considerably in the process of this transition. Such a portrait is presented by Herbert Gans in his study of an Italian group occupying a portion of West End Boston which was destroyed and redeveloped in the urban renewal program. Residents of the area lacked an effective voice in presenting their case to the city. Further, the economic influentials were involved in financing the re-development of the area. Generally, we may say that the attractiveness of urban renewal from a financial standpoint makes it very desirable to

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business interests and the city administration. To the city, the renewal project usually means added tax revenue. Also, the city gains more middle and upper income residents who are deemed more valuable than the poor who are replaced and the economic gain with little risk to the businessman developer makes such a venture highly attractive.

2. School Systems. That certain interests such as top businessmen, religious groups and others influence the operation of local schools is widely recognized, though there is disagreement concerning the extent and nature of the influence. Since school systems are locally owned and largely locally operated entities, wide variations in their structures and programs are observed. Ecologically the system reflects the class structure of the community. Financial support, the quality of teachers, supplies and the quality of physical facilities show correlations with the class structure with the greater allocation going to the schools serving the middle and upper status neighborhoods. As a formal organization patterned on bureaucratic and professional norms, the school is subject to internal and external constraints. Despite the attempts of teachers to establish greater autonomy, the school is subject to variety of external constraints for funds, curriculum and general policies. In his study of "Who Controls the Schools?", Neal Gross argues that "the most

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determining factor in the whole structure . . . is the school board. The board is crucial in determining the extent to which outside influences control the schools. This in turn means that the community is crucial, because the community elects the school board.\textsuperscript{72} Given the variation in school systems it is difficult to suggest any generalization in regard to external power agents. Gross does not argue for any particular generalization except that given their local character, schools are one of the few places left in which a citizen can exert influence directly if he desires. The schools are clearly dependent upon the quality of the school board, the economic and political structure and sometimes the religious structure of the community. They are especially subject to financial influence when the community is dominated by one industry or several corporations which can act to set the tax rate.

3. General Hospitals. Like schools, general hospitals are formal organizations patterned on bureaucratic and professional norms.\textsuperscript{73} Unlike schools, however, hospitals are related to social controls in fundamentally different ways. The physician represents the epitome of the


free professional who determines the conditions under which he will work while the teacher in the school system is still struggling for recognition as a professional. The public school system has been designed to serve everyone, albeit unequally, since its inception while hospitals have operated on a set of norms derived from charitable concerns and more recently on norms derived from economic enterprise. In the past religious groups and members of the aristocracy have been prime supporters of hospitals but recent trends are in the direction of greater public support.

A common characteristic of schools and hospitals is their dependence upon external assistance.

As a community institution, the general hospital has undergone profound change. The development of medical technology has transformed its meaning to the sick person. It is now a place to go with little fear. Its internal social structure is dependent upon the technology used and with liberal infusions of financial support its services may be made available to all citizens.

Somewhat like schools in their support base, a pattern of wide variation has been observed in the amount and types of support received by community hospitals. According to Elling and Halebsky, governmental

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hospitals of all types attract less support than voluntary general hospitals which are owned by non-profit corporations. This is true of tax funds, donations, and services contributed. In the same community we may also observe differential patterns of support for the hospitals and quality of service rendered depending upon the elite or non-elite status of board members.

The financing of new hospitals is an area in which the actions of the economically influential of the community may be observed. In a comparative study of the development of new hospitals for a number of small communities, Miller documents the manner in which economic influentials dominated the decision making process. From his description, the persons who made the crucial decisions were the community citizens most clearly related to local financial institutions, they had been successful in previous community projects and they had time to devote to the problem. They were the people who knew about the wealth of the community and for the most part they also possessed it. Local physicians were described as playing minor roles in the key decisions.


76 Paul A. Miller, et. al., Community Health Action, East Lansing: Michigan State College Press, 1953.
While board membership is crucial to external support, there is some evidence that the character of community hospitals is related to economic and governmental characteristics of the community especially in small towns. Blankenship and Belknap and Steinle have documented these findings. In his comparison of hospitals in two small towns (under 10,000) Blankenship found that the nature and type of support varied considerably. In the community dominated more by the local government, the hospital had attracted a board of 'average' citizens and suffered for support. In the community dominated more by local business interests, the hospital had attracted the elites and enjoyed a higher degree of community support including taxes, donations and volunteer services. Both were owned by the small towns.  

A similar picture of local support is presented by Belknap and Steinle in their study of hospitals in two urban areas.

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CHAPTER III

RESEARCH PROCEDURES

From the preceding review, it should be apparent that many gaps exist in current knowledge of power structures and decision making processes. Two gaps which this research may aid in closing concern the structure of power in medium sized metropolitan areas and the decision making processes which influence the development of community hospitals. Both areas of analysis are much neglected in the study of community power. In earlier research we may observe a tendency to focus upon the small town or city and neglect the metropolitan area. At one extreme there is a tendency to examine segments of the larger metropolis rather than the community as a whole due presumably to its size and diversity. At the other extreme is the tendency to concentrate upon the small town which is a much more manageable research problem due to its small size but for this same reason such research cannot shed much light on social structures and processes in a metropolis. Thus we have a neglect of the medium sized metropolis and the failure to study the metropolis as a whole even when it is the object of research.

The second research gap related to this study is perhaps even more acute. While one may point to Hunter's study of Regional City, Dahl's study of New Haven, and several studies of governmental problems in metropolitan areas, there has been almost no interest in the sociological
analysis of community hospital systems in metropolitan areas. One can find studies of hospital-community ties in small towns and some attention has been devoted to issues affecting specific hospitals in metropolitan areas, but none of these studies have focused upon the decision making processes in relation to the total hospital system in the community. Hopefully the present research will contribute to filling both of these gaps. In this chapter the research problem will be carefully delineated and the research operations will be described.

In the first chapter four hypotheses were presented as the core of the research problem. The basic hypothesis is that the structure of power is characterized by coalitions which unite and divide depending upon the issues at stake rather than forming a monolithic, pyramidal distribution which dominates the decision making process for all key community decisions. If this hypothesis is correct some issue area specialization will be found by comparing issues. The extent of issue area specialization cannot be investigated for a broad range of issues but if coalitions are found, an attempt will be made to describe their spheres of influence and relationships to important governmental officials.

Assuming that coalitions may be found with different spheres of influence, the second hypothesis is that the power structure which engages in decision making for key issues affecting hospital development does not engage in similar level decision making for non-hospital issues. The third hypothesis suggests that the decision making process is characterized by several leader roles which are a function of the
occupational position held by persons in the larger community system. It is suggested that professional persons play initiating and mediating roles while economic influential play instrumental and veto roles. Issues and projects are initiated by professionals in the employ of civic and voluntary associations and are later approved or vetoed by economic influential. If disagreements emerge, the primary role of the professional then becomes that of a mediator.

The fourth hypothesis is that local leaders may be characterized in terms of local-cosmopolitan orientations with the more influential leaders being characterized by a less cosmopolitan orientation. This dimension of leadership is relevant in that it is a measure of the extent to which the leadership of the community is oriented to the national rather than local society. Local orientations are felt to be associated with attitudes that emphasize the importance of local people in solving problems and the use of local rather than national resources in coping with community needs.

I. Selection of the Community and Issues

To test these hypotheses a dynamic metropolitan community has been selected as the focal point of analysis. For sake of anonymity, the city will not be identified but will be referred to as Urban Center. While the hypotheses may best be tested in comparative community analysis, it is necessary to restrict the study to one area and the issues to whose which may be observed over a limited period of time. While no argument is
made that Urban Center is typical of metropolitan areas in the country, the analysis of its decision making processes should provide insight into similar processes in other cities. In some respects it is a typical metropolis while in others it is unique. In contrast to most metropolitan areas, especially the larger ones, Urban Center has fewer ethnic and racial minorities. The non-white population for the area is approximately twelve per cent of the total. Catholics constitute no more than a fourth of the population and Jews less than the national average of about three per cent. A large majority of the population is native-born, white Protestant.

The economic and ecological trends found in most metropolitan areas are very much present in Urban Center. Local industry has been rapidly merging with national corporations and the largest industrial employers are branches of the corporate giants of American industry. As a state capital, the site of several universities, and several of the newer, more sophisticated industries, the area enjoys a relatively high level of income. Generally its economic position is quite stable in periods of economic recession and less subject to fluctuation than is the case with many metropolitan areas.

Ecologically, the area is characterized by considerable urban sprawl. Unhampered by natural barriers, the city has grown in all directions. In most cases the only impediments to outward growth of the city are an adjacent suburb. New freeways make easy access possible to the down-town area and the burgeoning shopping centers located on all sides of the
city. Politically, the area is becoming more like other metropolitan areas. The central city is partially ringed by Republican suburbs and is located in a county consistently governed by Republican officials while its own population becomes increasingly Democratic. The population trends evident in most metropolitan areas are present. For the area as a whole, the population is increasing. In the central city there is a rapid increase in the non-white population and an exodus of middle class whites to the suburbs. Unlike other areas, however, the central city is not losing population. With each census its number of residents is larger and presently its population is over five hundred thousand. Vigorous annexation policies have prevented its encirclement by suburbs and it may continue to grow outward as the population moves outward. Also, unlike many other metropolitan areas which are spread over many counties, the entire metropolitan area of about eight hundred thousand is located in one county. Thus some of the more pressing problems which defy local management in other areas can be dealt with relatively effectively in this case by the county government. Still there is fragmentation of the polity, since there are different administrative systems found in the central city, the suburbs, the specially created districts, and the county government.

The creation of special districts and voluntary organizations are two of the favored mechanisms for dealing with area-wide problems. One agency which has been very successful in dealing with some health care problems is a voluntary, area wide, hospital planning agency. This
agency coordinates all of the planning, fund raising and fund allocation for general hospitals in the metropolitan area. Almost all of the voluntary general hospitals in the metropolitan area are members of the planning agency and support its action on a voluntary basis. Liaison relations are maintained with all other local hospitals including the state and county owned facilities. Before any major change in a hospital's program is adopted, the officials of the planning agency are consulted or informed. For the most part the agency is a daily participant in local hospital affairs. It does not take official responsibility for the problem of long-term patient care, but this is an area in which considerable interest and support for local programs may be found. Since the agency's inception over twenty years ago, it has been a partner for the general hospitals in their planning and building programs. In the mid fifties, the directors of the agency reached the decision to request the State Legislature to enact a law providing for local bond issues to finance new hospital construction. Following this request, the law was enacted for a specific time period as requested. Near the end of the time period, the Legislature acted again to make the provisions permanent. Thus a law originally requested by one metropolitan area became a permanent provision for the population of a major industrial state and has had the effect of restructuring the financing of all general hospital construction should the leaders of local communities elect to operate in this manner. Subsequent to enactment of the law, the planning agency in cooperation with local hospitals and citizen groups, promoted a multi-million dollar capital improvement program
including a county bond issue and voluntary subscription campaign.
Both of these efforts were successful and resulted in major improvements for the member hospitals.

In 1964 the planning agency determined that a second effort of the same type was needed. Rapid population growth coupled with changes in medical technology and rising expectations on the part of the local population were felt to be creating a need for improvement in hospital services. Also many of the hospitals were housed in structures deemed partially obsolete and inadequate. Accompanying the 1964 planning effort and its campaign to raise millions of local funds in hospital bonds was an effort to raise funds for school construction, city freeway improvement, urban renewal, and other civic improvements. In sum, the various proposals for capital improvement exceeded eighty million dollars to be voted upon by the taxpayers of the city and the county. All of the issues, except the issue for urban renewal, were successfully adopted by the voters in the November election and the desired programs have since been executed or presently are in the process of execution.

In addition to the services provided the local metropolitan area, it should also be pointed out that the agency has received federal grants to pioneer the development of a planning program for a regional area encompassing most of the central portion of the state in which it is located. As a result of federal and state government recognition, the planning agency must certify the need for a program before any federal and state funds are utilized in the local areas served by the planning agency.
The issues which have been isolated for study are the following.

First, the decision to request the State Legislature to enact the special legislation. Second, the decision to sponsor a capital improvement program involving a county bond issue in 1964. Also, to the extent possible, the previous planning and building program will be analyzed for comparative purposes. Third, the decisions of local groups to sponsor a school bond issue, the bonds for freeway and street construction, and other civic improvement bonds as a package program of issues in the 1964 fall election. The unique timing of events makes possible a comparative analysis of decision making processes as well as intensive analysis of decision making for the hospital system, which is a basic objective of the study. Other issues may be selected during the course of the investigation should it become evident that they are vital to the study.

II. Data Collection Procedures

The first step in collecting data was to obtain approval from the planning agency to study its operations. As a former employee some of the important events in the 1964 program were witnessed as a participant observer. Others were known only in a cursory manner from brief conversations with members of the staff. After discussions with members of the staff, approval was granted to interview members of the board and a letter of introduction to each board member was written by the agency director. In selecting the board members as an interview sample, it was assumed that they would be members of the important leadership sector of the
community. This was the impression conveyed by the planning agency staff and the manner in which the planning activities were regarded by the local news media.

The next step in the research process was to read historical accounts of the city. Economic and political studies of the city's history and development were read. A picture of the population growth and change was constructed from the U.S. Census reports and special population analyses. Also, brief economic and political sketches of the area were prepared on the basis of published directories and recent newspaper accounts. Following these activities, an interview schedule was developed and pretested by contacting the board members of a local agency on alcoholism. The pretest, however, proved to be of a limited value except in indicating that the questions should be open ended.

After obtaining permission to interview board members of the planning agency, the final interview schedule was developed with questions about these items:

1. Participation in the decision to request the enactment of the state law.
2. Participation in the decision for the 1964 hospital bond issue and the related events.
3. Participation in the earlier capital improvement program for hospitals.

In each of these cases, the persons interviewed were asked about the decision making process in terms of their role in supporting, initiating, mediating, or vetoing proposals.
In a fourth question they were asked to nominate the ten most influential leaders in the community. In describing top leaders this definition was used: "Persons who are recognized as influential in making major decisions affecting the life of the community. They might also be described as persons whose support is vital to the success of community projects." If the person responded by saying that there was no top leadership group, he was then asked to identify leaders in some specific areas.

Finally, in order to describe the person's orientation in terms of the local-cosmopolitan dimension, the board members were asked about their attitude toward federal aid for community health projects, especially hospital planning agencies. Would they seek, accept, or reject such assistance. Also, in selecting an agency director would they prefer a local man or a person with a particular type of educational background.

Concurrent with interviewing board members of the planning agency several other procedures were followed. Using the snowball or cobweb technique as some researchers have described it, a second sample of leaders was interviewed. They included heads of major civic and voluntary organizations, some city and county officials, and persons suggested from the other interviews as active in community affairs. Lists of board members of the key civic and voluntary associations were obtained and all newspapers were read for their accounts of the events being studied.

During the course of the interviews it became apparent that the local
leadership was characterized by considerable conflict as well as consensus upon some issues such as support of the hospitals. One issue which proved to be particularly significant was disagreement over the problem of local flood control. After much behind the scenes disagreement among key groups, the issue finally broke into the open with the newspapers, city council and several civic organizations becoming involved in the debate. As a result of its significance in revealing deep differences in the community, the issue was followed to its conclusion. Due to being discovered late in the field work, however, the major source of data for describing the sequence of events is simply newspaper accounts.

Interviews with the sample of leaders not related to the planning agency were exclusively devoted to identifying top local leaders, relations between the key leaders and particular spheres of interest of the leadership groups. In contrast to members of the first leadership sample who received personal letters about the study and were later phoned for an interview date, members of this sample were contacted directly or through one of their colleagues. All were assured of complete anonymity, with the study being presented as a study of local leadership with special reference to the hospital situation.

At the conclusion of the field research, eighty interviews had been held with seventy-four persons (six were interviewed on two occasions), including forty-seven persons associated with the hospital planning agency. The remaining twenty-seven members of the sample did not have
direct ties to the planning agency. The average interview lasted from thirty to forty-five minutes though some were as brief as fifteen minutes while others lasted for two hours or longer. Most of the lengthy interviews were with the planning agency staff members, professionals in other voluntary agencies and retired persons still active in community affairs. The interviewing was begun in mid April, 1967, and lasted through the month of June. When the interviewing was complete almost three hundred pages of notes were taken plus dozens of reports provided by the hospital planning agency and other organizations in the city.

Where possible, an extensive file of newspaper reports was accumulated. To trace events associated with the enactment of the state law, microfilm copies of the afternoon daily and the weekly Catholic newspapers were read from January 1, 1955 through May, 1955. Later, through access to files maintained by the state hospital association, it was possible to review clippings of major newspapers throughout the state. While following events associated with the first hospital building program, the Catholic newspaper was read from May through September, 1956, and the daily newspapers during August and September, 1956. To cover city elections in 1959 and 1963, the daily newspapers were read during October and through November until the election date. Extensive notes were taken on newspaper coverage of hospital events, articles involving the city administration and City Council, actions of prominent leaders, and the flood control issue from May 1 through November 5, 1964.
CHAPTER IV

THE COMMUNITY SETTING

I. Early History and Economic Development

As a perspective to the issues of the study, we need to describe the development of the city and the salient features of its present socio-
logical character.

The history of Urban Center cannot be understood apart from the city's relationship to the state government. Founded as a site for the new state capitol, the influence of state government was paramount in the early years of development and since then has been a major factor in the economic, political and social life of the city. The founding of the city dates back to 1812 when the offer of a syndicate of land owners to the state was accepted and work began to clear the site for the new buildings. At that time, the state legislature was looking for a new site located in the geographic center of the state. After considering several adjacent cities, the decision was made to accept an undeveloped site across the river from a small town which was the county seat of the county in which the new capitol was to be located.

In 1816, the new state capitol was completed along with a state prison and the state government was transferred to the new location. At the same time, the new community was incorporated as a borough and approximately fifteen years later was incorporated as a city. The location of the city mitigated against industrialization. Located in the center of the state, the
new city lacked access to major streams or lakes which could be used for transportation. Roads were almost nonexistent and the first real growth of the city awaited the development of a national road and a system of canals. Industrialization came with the development of railroads and the discovery of coal and iron ore deposits in the hinterland to the south and southeast. Although the capitol of a major state which was later to be rapidly industrialized, the early growth of the city was largely in response to the needs of state government and the surrounding agricultural region.

The location of the city not only influenced the pattern of industrialization, it also influenced the character of the population. Early isolation resulted in the migration of residents from eastern parts of the country and rural migrants from the agricultural areas. In 1830, the city had approximately 2,500 residents. By 1870, the number had increased to 31,224. The two nearby cities including the county seat were surpassed in size. The city had also become the seat of government for the county which included 63,019 residents in 1870. Though ethnic and racial minorities never represented large segments of the population, some were present. In the 1870 census, one-fourth of the city population were foreign born and slightly under seven percent were non-white.

It is generally conceded that by 1870, the city had become a political and commercial center. It was the largest city in the central part of the state and the leading supplier of commercial goods to the surrounding agricultural region. It was also on the verge of developing significant industries, cultural and educational institutions. A medical college had
been established, four religiously based institutions of higher education were established and a state university was in the process of being established.

The opening of coal fields to the south and southeast and the mining of iron ore brought considerable industry to the city between 1870 and 1900. Construction of railroads resulted in the establishment of railroad shops. The city became a processing and distribution point for coal and iron ore. By 1900 the city population was over 125,000, four times the 1870 figure. Leading industries included steel foundaries, buggy manufacturing companies, a patent drug company, and a shoe company. Between 1900 and 1914 the city could boast having seven varied firms (including the above firms), each being the largest of its kind in the world.

Between 1900 and 1940 the city experienced considerable economic fluctuation. The period from 1900 to 1914 was a depression era both for the city and the nation. World War I contracts and the economic boom of the twenties were shared by the city, giving it a period of rapid growth until the Depression. In 1930 the city population was 290,564; the county population was 360,841. During the thirties the Depression resulted in a marked downturn in industrial growth. The total city population increased by 16,000 between 1930 and 1940, one of the lowest rates of growth ever recorded for a decade in the city's history. Local leaders say that the city grew stagnant during this period and depended heavily upon employment with the state government. No new industry was built in the city during this decade.
The coming of World War II resulted in many major changes in the total community. Many of these changes were a consequence of the decision of the federal government to establish a major aircraft plant there. As a source of new economic activity, the plant employed as many as 25,000. The city lacked a pool of skilled labor and migrants came from the South, bordering states, and cities from the adjacent agricultural areas. The city experienced a major influx of Negro population. With the end of the war, the aircraft factory was no longer needed by the government. Confronted by a crisis, the city sought new industry. In the late forties national corporations began to establish branch plants in the city and the aircraft plant was converted to private control in the hands of one of the country's largest aviation corporations. With the attraction of branch plants of national corporations, the expansion of state and local government activities, and the growth of many local corporations, the city has developed rapidly since the war. In the 1960 Census, the city had a population of nearly 500,000 and the metropolitan area of the county almost 700,000. In size the city was ranked among the thirty-five largest cities in the country. In 1965, the estimated population of the city was more than 550,000 and that of the metropolitan county over 800,000.

II. Population and Ecology

Although the city and county populations are marked by increasing diversity, the 1960 Census and more recent studies indicate a fairly
homogeneous population with a higher than average level of income and education. In the 1960 Census non-whites accounted for approximately 12 percent of the metropolitan area total and seventeen percent of the central city population. Approximately 96 percent of the non-whites were concentrated in the central city and mainly in specific neighborhoods. Two percent were foreign born, twenty-seven percent were native born in a different state and approximately 10 percent were residents of another state five years earlier.

The largest recent migration to the city consisted of Negroes from the South and whites from the Southern Appalachian Region. One small ethnic group is a population of German descent which has restored the old German Village on the near south side of the city. Due to its small size however, (approximately 20,000), the influence of this group in the city is negligible. It is difficult to estimate accurately the percentage of Catholics and Jews in the metropolitan area. In 1966, the city had an estimated 10,000 Jews which is less than the national average of 3.5 percent of the population. Based upon Diocese reports of the Catholic population for the central area of the state, it may be estimated that approximately one-fourth of the metropolitan area is Catholic. A steady stream of migrants from the adjacent cities and towns in the central area of the state contributes to the continued homogeneity of the metropolitan population.

The ecology of the city is very comparable to the ecological character of more recently developed metropolitan areas in the country. The central
city is partially ringed by residential suburbs that form more desired residential areas. Nine suburban cities and sixteen villages dot the metropolitan area and many share boundaries with the central city. In land area, the city encompasses over 100 square miles and in contrast to many central cities, it is not blocked from future growth. Vigorous annexation programs in the mid-fifties and early sixties have greatly enlarged the city boundaries, sometimes with the result of encircling suburban cities. Even with this effort, however, the percent of total population in the central city continues to decline, with a drop from 81 percent in 1930 to 69 percent in 1960. Due to small size the suburban municipalities are overshadowed by the central city. Ranging in size from several hundred to about 30,000, they contained approximately 15 percent of the metropolitan area population in 1960.

New freeway construction has drastically altered the shape of the city and the transportation pattern. A major freeway runs north and south through the city, and a second northern corridor is now under construction on the northwest side to complement the northeast freeway. A new freeway to the east is open but does not continue through the western side. The innerbelt of the system is now several years old and an outerbelt is presently being constructed. Construction of the freeways and downtown urban renewal have resulted in moving the slum sectors further outward from the downtown area. The slum situation is believed to be much less acute than in larger cities but a number of blighted housing areas still exist.
In a limited sense the ecological features conform to the old concentric zone hypothesis advanced by Burgess and Park. In the center of the city is the central business district followed by a transition zone of cheap hotels, flophouses and deteriorated housing areas. As one moves further outward there are working and middle class areas followed by more desirable residential areas of the upper and upper middle classes. This pattern however is only partially true since some of the most highly valued residential sections are relatively close to the downtown area.

The city's worst slums have been razed as part of three urban renewal efforts. One of the slum areas on the near northwest side has been replaced with a new shopping center, luxury apartments and retirement center. A second, located very close to the downtown southside, is being replaced by new offices, a bus terminal, and new nursing school for a downtown hospital.

The northeastern sector of the city contains a large Negro ghetto, with most of the Negro residents in the metropolitan area living there. To the near north of the downtown area is a blighted residential area which is the home of many Appalachian migrants and some Negroes. The heart of the city is dominated by offices of federal, state, county, and city government along with the downtown department stores, banks, insurance and utility companies, and many smaller commercial enterprises. Several new skyscrapers dot the downtown skyline with new buildings for banks, hotels, and state offices. The impact of government is readily apparent in the civic center, the state capitol building, state offices and county government.
Also, new state office buildings are contemplated and many of the civic
disagreements have centered around urban renewal in the downtown area
in conjunction with plans for the future location of new government build-
ings. Much of the industrial sector is on the western side of the city.
The newer, large companies, however, do not form consistent patterns of
location and are located on both eastern and western sides of the city.

Two suburban cities in particular fit the description of middle and
upper class residential suburbs. The older and smaller of the two is
located on the east side of the city, with a creek separating it from the
Negro residential area previously mentioned. It is the area in which many
of the older, well established leading families of the metropolitan area
live. In the northwest sector of the metropolitan area is the newer resi-
dential suburb which is rapidly increasing in population and which is
desired by many of the professional and upper middle class citizens of the
area. Needless to say, both are highly Republican in political orientation.
The decentralization of the city proceeds a pace simultaneously with its
growth. New shopping centers abound in the metropolitan area in much
the same manner as in other large metropolitan areas.

III. The Present Economic Structure

The contemporary role of large scale economic organizations in urban
areas is well illustrated by the present situation in Urban Center. While
none of the nation's very largest businesses are headquartered
here, the size of the major economic organizations is impressive. The largest single employer is the state government which employed an average of almost twenty-nine thousand in 1965 including the employees of state institutions. Next came local government, with an average of nineteen thousand, most of whom were in the field of education. Federal employees numbered more than eleven thousand and constituted the third largest category of governmental employ.

The four largest industrial employers, which combined employed between twenty-five and thirty thousand, are all branches of national corporations. Among the other large employers were a department store with more than five thousand, a research organization and an insurance company, each of which employed between two thousand and twenty-five hundred. In the heavy industry category, the city has few establishments which employ more than fifteen hundred workers each. In 1965 there were three plants which employed between fifteen hundred and two thousand, with only one of these being locally owned. Each was engaged in producing some type of machinery or industrial equipment.

The city does not fit the description of a working class community with

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1 According to Fortune Magazine's 1966 listing, none of the nation's 500 largest industrials or the fifty largest banks, insurance companies, merchandising firms, transportation companies, or utilities are head-quartered in the city. It should be pointed out however, that branches of many of these companies are present.
heavy industry. It is more of a white collar, non-industrial city, with a population of higher than average education and income. The 1960 Census reported median education levels of 11.8 for males and 12.0 for females. Over ten percent were reported as having attended college and six percent for four years or more. Median family income in the metropolitan area in 1959 was $6,425 and $5,982 for residents of the central city. Median family income for the upper income suburbs in the metropolitan area was well over $10,000.

The economic integration of the community with the region and larger society may be observed on at least two levels. First, the interpenetration of the local economy by national corporations through the location of branch plants and integration of local firms into the national system through merger. Both of these forms of integration may be clearly observed and the trend in each direction for the past decade has been quite strong. According to data from the Chamber of Commerce, almost a score of locally established companies have recently been absorbed by merger into national corporations. The economic dependence of the city on external decision making is clearly illustrated by the fact that its four largest industrial employers are branch plants.

A second level of integration of the local economy and larger society is the presence of companies which own branch organizations in other cities or extend their services through some other means over a broad area. Urban Center has several such organizations. One of these is a very large department store affiliated with a chain of stores throughout the country. Its
sales exceed one billion per year and part of the controlling interest in
the chain is exercised by the owners of the local store. The owners are
members of a prominent family which has lived in the city for several
generations and taken part in many of the civic enterprises. Another
such organizational base is held by an insurance company which operates
nationally and which is becoming ever more diversified in holdings. At
least twenty smaller companies including insurance, real estate, and
broadcasting outlets are affiliated with the parent corporation. Several
companies which have limited national ties but which do operate to a
limited extent on the national level are associated with one of the three
nationally chartered banks in the city. All of the industrial firms which
employ over fifteen hundred persons have ties to extensive national and
sometimes international networks. In the utilities field, the gas and tele-
phone companies are part of larger networks while the electric company is
local.

The integration of local enterprises through local ownership or control
constitutes a relevant dimension of community analysis. Although in terms
of employment it is apparent that no monopoly exists in Urban Center,
several employers constitute major spheres of potential influence through
their control over employment. Several separate sectors may however be
observed. In this community it is apparent from analysis of the ties of
boards of directors of the three nationally chartered banks that most of the
large economic organizations of the city have some tie to the banking
system. Each bank, however, forms a separate sphere with no visible
overlap reported in directories such as Moody's, Standard and Poor, and Rand McNally.

Through interlocking directorates and ownership, the members of one organization can exercise major influence over financial resources of the community, the central area of the state, and also major influence over the communications media for the same area. Tied together in this network of interests is one of the nation's largest bank holding companies which has controlling interest in more than twenty banks in the central region of the state, the largest national bank in the metropolitan area, a state bank in the city and a savings bank in an adjacent suburb. National newspaper columnists have also claimed that the company holds a small interest in the second largest national bank in the metropolitan area. In addition to the banking system, the same organization controls an investment company, which specializes in handling public bond issues, the evening and Sunday newspaper which is the largest in the area, a major radio station and one of the three commercial television stations serving the area. Other holdings include a shoe company and real estate. Centering around the second largest national bank in the community through the ties of board directors are the largest retail store, one of the largest industries, one of the utility companies, a large research organization and several smaller industries. This bank has also established a larger base in the central state area by creating a bank holding company that includes two other small banks in adjacent cities.
The third national bank in size is characterized by a similar complex of interests except in this case it has local ties to two of the heavy industries in the city, real estate interests which operate on the local and national levels, and several smaller industries. Several prominent educators in the community serve on the board. Just as the other banks have established bank holding companies, this bank is also moving in the same direction. In terms of financial resources, the largest bank controls assets equivalent to, if not greater than, the second and third national banks combined. One of the keys to the vertical integration of local enterprises is evident in the interlocking directorates represented in the network of banking interests.

IV. Local Government and Politics

Local government in the metropolitan area, except for the central city, is almost exclusively Republican. A major tradition of all local politics is the dominance exercised by the Republican party and Republican candidates. The 1966 county, state, and national elections portray the extent of contemporary Republican dominance. In this election two Republican Congressmen were elected from the metropolitan area, with a margin of 60 percent of the vote. The state senators elected were Republican and six of the seven state representatives elected were Republican. In the state election the area voted heavily for the re-election of the Republican Governor, who is a native of the city, giving him a margin of better than two to one in the votes cast. Two Republican county commissioners were
re-elected, one for a fourth consecutive term and the other for a second consecutive term. Both commissioners have records of prior service in the city council preceding the election to county office. The third county commissioner, also Republican, was serving his first term having been elected two years earlier.

In national elections a pattern of Republican dominance is also evident. Since 1944 Republican Presidential candidates have carried the county metropolitan area except in 1948 and 1964.

While the central city is becoming more Democratic, the nine suburban municipalities and sixteen villages remain Republican strongholds for the most part. The mayor holding office in 1967 was a Democrat completing his second full term of office. Elected to fill an unexpired term in the fifties, he was the first Democratic Mayor to serve the city in twenty-two years. After the interim two-year term, he won re-election for a four-year term and was later defeated by the Republican candidate in a second full term bid. Four years later he came back to win office again and restore Democratic control in 1963. A minority of Democratic councilmen were elected with Republicans retaining control of the city council. In 1965 the Democrats were able to gain control over city government with the election of three new democratic councilmen.

The conduct of local politics reveals the interlocking network of ties supporting the local Republican organization and its candidates. The largest newspaper, a daily evening and Sunday paper consistently supports the candidates of the Republican organization. The candidate who begins
to show independence from the party is censured in the press for his actions and constantly reminded of party disloyalty. The Democratic Mayor is the object of almost daily attack by reporters for the paper. Some of the favorite targets include the urban renewal program, his 'flower fund,' his personal style, actions of members of his staff, relations with the police department, ties to downtown interests, and particularly his independent attitude toward the county democratic organization. In reality, almost any issue may provoke criticism. Aware of differences, both presumed and real, between the Mayor's organization and the county organization, the newspaper constantly seeks to drive a wedge between the two. In the press the Mayor is alternately pictured as a party renegade or a dictatorial personality desiring exclusive control of the organization. Some tension does exist between the two organizations and stems in part from the Mayor's ability to win in city elections while the county party chairman constantly loses in county elections.

Both county political organizations are characterized by remarkable continuity in chief personnel, especially the Republican County Chairman. A very successful political figure, he is usually described in a favorable manner by the local press.

The morning newspaper, which is part of a national chain, is more selective in its support of local and national candidates. On the local level, it has generally supported the Democratic Mayor and most Democratic members of the Council. In state elections it gives unqualified support to the Republican Governor and most statewide Republican
candidates. In county elections support is more frequently given to the Republican candidates. While the evening paper would not break with its long standing support of all Republican candidates in the 1964 Presidential election, the morning paper endorsed the Johnson-Humphrey ticket in September and maintained a critical stance toward the Goldwater-Miller ticket throughout the campaign.

Although city officials are identified by party, the system is officially non-partisan. Following a disastrous flood of the city in 1913, a new city charter was adopted. The charter provided for the election of officials on a non-partisan basis for four year terms. The mayor and a seven member council were to be elected on a city wide basis and this feature of the charter has not been revised. The effect of city-wide elections for councilmen is a tendency toward the exclusion of minority group members who might otherwise be elected under a system of ward representation. In recent years only one member of the council has been Negro but presently all members are white. The office of Mayor is a full time professional position and that of councilman is part time.

V. Communications Media

The range of communications media found in Urban Center is probably very comparable to that found in other cities of similar size. In 1967 the city was served by morning and afternoon daily newspapers, a network of weekly suburban papers, three commercial television stations and six commercial radio stations. Weekly newspapers were also published for
the Negro and Catholic populations in the area. The state university
operated a UHF educational television station and an FM radio station.
A second UHF channel was being sought by a communications company
associated with a major insurance company in the city. The same company
already had affiliated AM and FM radio stations serving the city. The three
commercial television stations represented the major national broadcasting
networks and sought to reach the central area of the state in addition to
serving the metropolitan area.

The local pattern of ownership and control of the communications media
also appears very similar to the pattern observed for corporate enterprises
in the community. Two of the commercial television stations and their
associated radio stations are affiliates of larger, non-locally owned broad-
casting companies. The third station and its associated radio stations are
locally owned by interests which own one of the local daily newspapers and
a series of other enterprises previously mentioned. Each of the commercial
television stations is part of a company which also owns a radio station
that broadcasts on AM and FM frequencies. Surveys of audience attraction
indicate that the locally owned television station reaches the largest
audience but the margin separating the three stations is not great.

Unlike many cities in the country which have clear cut newspaper
monopolies, Urban Center is served by two daily newspapers which represent
different interests. The larger daily is locally owned and enjoys a circu-
lation three times that of its competitor. It is the afternoon daily and Sun-
day paper and is the only Sunday newspaper serving the metropolitan area
and the central section of the state. The smaller paper is affiliated with a national chain and is published as a morning daily on Monday through Saturday. The weekly suburban newspapers are locally owned and attempt to serve most of the larger suburbs. The size audience reached in the suburbs is unknown but it appears to be only a fraction of the metropolitan population. The Catholic weekly is an organ of the church and does not receive measurable circulation beyond the Catholic population of the city. The weekly newspaper serving the Negro community is part of a larger, Negro owned company located in another city in the state. It seeks only to serve the Negro population and is largely unknown by white citizens of the community.

While a monopoly does not exist in ownership of the daily papers, it is quite evident that a potential for effective control does exist in the present organizational structure. This potential for control exists as the result of a merger in 1959 and accompanying contractual agreement for the morning paper to be published by its competitor. Prior to the merger the city was served by three daily newspapers, two of which were owned by the same local company. These were the current afternoon daily and a morning daily published Monday through Saturday. The third paper was part of a chain and was published as an afternoon daily with a Sunday edition. With the merger these events took place. The morning daily ceased publication and the afternoon chain affiliate became a morning daily to be published during the week without a Sunday edition. In merging
the assets, the new paper, which retained part of the names of the merged papers for identity purposes, was moved to the offices of its competitor. Terms of the merger provided that the new paper would be printed and its editorial staff housed in the plant of its competitor. It was further agreed that the business, advertising, and circulation staffs of its competitor would serve the new newspaper. The editor of the chain affiliate became the editor of the new paper with the transferral of the editorial staff. All of these facts were reported by the chain affiliate editor in a statement to the newspaper's readers. He also reported that the new paper would retain its chain affiliation, would be separate, independent and competitive. The owners of the competing paper were to have no representation or voice in the newspaper policy.

VI. The Educational System

Perhaps the most striking sociological characteristic of the educational system in Urban Center is simply the magnitude of the educational organizations in the city. The city is a major center of higher education. With a major state university, three smaller but regionally well known private colleges and universities, and three seminaries, the city enjoys regional and national distinction in education. More than 50,000 students are enrolled in these institutions.

The size of the public, private and parochial school systems is also an impressive characteristic. More than 200,000 elementary and secondary students were enrolled in the systems in 1966 and in contrast to many
similar size metropolitan areas, the private and parochial sector of the system is small. Approximately 16 percent of the students attend private and parochial schools. All others are enrolled in the public system, with the majority in the central city system.

Responsibility for the central city system is vested in a seven member board elected for four year terms on a non-partisan ballot. As the case with city councilmen, members of the board are elected at large rather than on an area basis. In 1967 the seven board members were professional men, with prominent occupational positions in the community. All were college graduates and only three of the seven were natives of the city. Occupationally, the board consisted of two lawyers, a dentist, a physician, a retired business executive, a financial manager for a large research organization, and the general manager for a cemetery association. In contrast to the city council, which had only white members, two members of the board of education were Negro, one a physician and the other a dentist.
CHAPTER V

DECISIONS FOR HOSPITAL DEVELOPMENT

I. Introduction

Having described some of the general sociological features of the community, we now turn to analysis of the decisions for hospital development. It may be recalled that these decisions include the request of local groups for the state legislature to enact a new law and the decisions of a planning agency to engage in two major hospital building programs.

It should be pointed out that these decisions meet the criteria for key community decisions. They are not concerned with issues affecting a small proportion of the population nor are they issues of concern only to special interest groups. They are decisions which have had far reaching consequences for the local hospital system and the community. The new legislation has drastically altered the local means of financing new hospital construction. The two building programs have resulted in the construction of new hospitals and in a very real sense, they have had the effect of creating a new kind of community hospital system. It seems fair to say that the basic network of relations between the hospitals and their supporting environment has been changed.

To properly depict the decision making process we need to describe briefly the local hospitals and a planning agency which has played a crucial role in shaping the events. First, let us examine the hospitals in terms of size and general character. Separate networks of state, county,
and non-profit hospitals which serve the metropolitan area and considerable portions of the state are located in the city. The medical service area for several facilities includes the central region of the state and by virtue of providing specialized services, some residents of adjacent states.

The state hospitals serve the broadest range of patients in terms of types of illness and geographic service area. The system includes the university medical center, a state mental institution and a state school for children. The university medical center is an integrated network of teaching hospitals including a general hospital, psychiatric hospital, an inpatient rehabilitation center, and a hospital for tubercular cases. The combined capacity of these hospitals exceeds a thousand beds. The state mental institution and state school provide approximately 2500 beds respectively.

The county owned facilities consist of two hospitals with service programs mainly for the aged poor who are chronically ill and patients with pulmonary diseases, especially tuberculosis. The combined size of both hospitals is less than 500 beds.

Nine general hospitals, eight of which are accredited institutions, comprise the community general hospital system. While all of these hospitals are operated as non-profit institutions, several have ties to church bodies or specific special interest groups. Three are Catholic related institutions; one is related to the Methodist church and one serves as the primary treatment facility for Osteopathic physicians. All of the others are operated by non-profit corporations which do not have support-
ing bodies except in terms of informal groupings.

The eight accredited hospitals are the institutions normally considered as the community hospitals. In terms of size three are relatively large hospitals (over 400 beds), three are medium sized (200–400 beds), and two are smaller hospitals (approximately 100 beds). One of the three large hospitals is a Catholic institution, often regarded as the most prestigious hospital in the city. The hospital operates a school of nursing, a program of medical education and provides a broad range of medical services. Its physical plant consists of partially new and partially old buildings located on the near west side of the city in a less desirable residential area. Another of the larger hospitals is a Methodist related institution which has a completely new physical plant. Actually this hospital is the largest of the eight and with its new facilities and aggressive management is regarded as an institution of increasing stature. Its suburban location on the northwest side of the city provides a very attractive base for future operation. In terms of service program, this hospital also operates a school of nursing, a medical education program and provides a broad range of services. The third larger hospital in the city is a new downtown facility operated by a non-profit corporation unrelated to a church body or special interest group. Its program of service is comparable to that of the above hospitals.

The medium sized hospitals consist of a children's hospital, a facility operated for Osteopathic physicians and a Catholic hospital. While the children's hospital is smaller in size than the hospitals just
described, it is often referred to as the hospital with the most powerful board. Its board members are drawn from the top sectors of business, industry, and the very wealthy civic minded citizens of the community. For teaching purposes, the hospital is affiliated with the University medical center and conducts a considerable program of its own in nursing and medical education. Many specialized services are offered and the geographic outreach of the hospital is greater than any other community based hospital. Most of its buildings are comparatively new and modern including the inpatient and outpatient facilities. Located on the near southeastern side of the city it is adjacent to an urban renewal area on one side and a working class residential area on the other.

The Osteopathic hospital is a unique feature of the community hospital system. Established in 1940 with the support of Osteopathic physicians and a few businessmen, the hospital has achieved considerable recognition. Several expansion programs have taken place at the location of the main facility and a branch hospital has been built on the west side of the city. The parent facility is located in a transitional area of small business and working class homes. The new branch is located in a relatively new suburban area. With its growth this institution has become a leading center for the education of Osteopathic physicians. It holds a position of esteem in the community and while Osteopathic physicians are not permitted to be members of other hospital staffs, they are generally respected by the medical doctors.
The Catholic hospital in this size range occupies the oldest physical facilities with some of its buildings dating back to the turn of the century. Located on the near northeast side of the city, it is also the only hospital in a Negro neighborhood. Its program includes general hospital services, a special unit for chronic illness, and a school of nursing. Plans are well underway for a new building to replace the older units.

The two smaller hospitals are a Catholic hospital for women and a general purpose facility operated by a non-profit corporation. The hospital for women is in the process of being converted from a maternity center into a facility with general medical, surgical and obstetrical services. Founded as a maternity center for unwed mothers, the hospital has been unable to develop a broad operational base with its own resources. Now, with financial assistance from external sources, it is being transformed into a larger, general purpose institution.

The last hospital to be described is the small facility operated by a non-profit corporation. Founded as a private institution on the near south side of the city, it has been converted to a non-profit facility serving the working class residents of the surrounding neighborhood. After years of financial difficulty, the hospital was converted to a non-profit institution and admitted to membership in the planning agency in the early fifties. Present plans provide for the enlargement and modernization of the facility with the objective of creating a more economically sound operational base.
While three Catholic hospitals are located in the city, it should be pointed out that they do not constitute parts of a Catholic system except through Diocesan ties. Each is operated by a different religious order and while they cooperate in terms of participating in joint planning programs, they are functionally autonomous. It should also be pointed out that no hospital in the city is designed as an institution for the indigent. Except for those served in special county institutions for the aged and pulmonary disease cases, all indigent patients are served by the community hospitals and the university medical center. Contractual ties between the county and these institutions provide payment for services rendered to patients certified as medically indigent.

Perhaps the most striking characteristic of the community hospital system is the existence of a voluntary hospital planning body that coordinates the development of the eight community hospitals just described. This agency serves the hospitals and the community as a planning, fund raising and fund allocation agency for capital improvement. On a more continuous basis the planning agency serves as a cooperative mechanism for many hospital activities particularly in sponsoring studies of hospital needs and as a forum for communication between hospital personnel. The hospital administration council, which in many cities is an autonomous entity, is an integral part of the agency, with the agency staff serving in an advisory and supporting role for special projects sponsored by the administration. Membership fees are charged to the local hospitals to defray part of the agency's operating costs.
While the planning agency primarily serves the eight member hospitals, its membership includes the county institutions and the university medical center. Each hospital is permitted to name two members to the board of trustees which usually include the hospital administrator and one hospital trustee. For local activities the agency is directed by a fifty-two member board with representatives from the medical profession, public health, organized labor, Blue Cross, and the public (defined as persons having no direct ties to health organizations) in addition to the hospitals. Nearly all of the agency directors, however, have some tie to the hospitals or health bodies. Of the fifty-two directors on the board in 1967, only ten did not have some affiliation to the particular hospital or health agency. Three physicians (president, past president, and president elect of the academy of medicine) represent organized medicine. Nine other physicians represent particular hospitals or health agencies in the community. A regional program including planning services for over thirty counties in the central and southeastern area of the state is also directed by this board with supplemental representatives from the other counties.

On the local level the agency is recognized as the legitimate voice in hospital planning for the metropolitan area. None of the member hospitals would consider a major building program without advising the agency or seeking the advice of its staff. By virtue of federal and state recognition, tax funds will not be granted a local sponsor for hospitals or nursing homes unless the planning agency certifies the need for such
facilities and that the sponsor will render a public service. Nursing homes are not granted membership in the agency, but a continuous service is rendered for all organizations seeking planning assistance.

As one of the first hospital planning organizations in the country, the agency has received national recognition by the federal government, the American Hospital Association and other hospital planning bodies. In the late fifties a movement to establish similar planning agencies in all metropolitan areas achieved national momentum through support of the U. S. Public Health Service and the American Hospital Association and other hospital planning bodies. Since that time the local planning agency has served as a model for the creation of similar agencies. In 1962 it was awarded a federal grant to establish a prototype regional planning program. Subsequent grants have been received to aid in training personnel for other planning agencies and to improve local services for the chronically ill.

II. Creation and Development of the Agency

While the planning agency is now a major force in community hospital affairs, the acquisition of this role occurred over a period of time. Its creation and development provides some insight into local leadership and the community power structure as well as some of the internal dynamics of the community hospitals. As a prelude to the recent decisions for local hospital development the history and development of the organization will be examined.
The sequence of events which led to the creation of the planning agency dates back to the early forties. At that time the city was reported to have a crisis in health care generally and an especially acute need for improvement in hospital services. Population growth brought by the war economy placed severe strain on the hospitals which were housed in old and outmoded physical facilities. Some civic leaders were very much concerned about the problem of indigent patient care, particularly the lack of adequate hospital treatment for the indigent and public support for this service. Also the medical profession was reported to be in the midst of a major splitting scandal. At the time, the city contracted with the hospitals to care for the indigent but failed to deal with them on a uniform basis.

The concern of local leaders associated with the council of social agencies and especially the concern of an executive associated with a book publishing company in the city led to a study of the voluntary health agencies. This executive, who was also a lay religious leader, organized the support of local church groups and a number of wealthy citizens concerned with charitable causes. A prominent public health educator was employed to conduct a survey of the health care problems and make recommendations for improvements. Two recommendations of the survey were that the community should have a better system of providing for indigent care and that a special study of the hospitals should be made by a hospital consultant.

Action was taken by the leadership of the council of social agencies to carry out each of these recommendations. The first move was to
establish a certification service for indigent persons with the attempt to
insure adequate medical services for the needy and to create a uniform
system of reimbursement for the hospitals. This service was a staffed
by the council of social agencies and also located in their offices.

In 1944 a well known hospital consultant was employed for the
hospital study. It should be noted that the study was also supported
by the local academy of medicine and all of the general hospitals. The
findings of the study revealed many problems. The hospitals were having
difficulty in meeting fire and building inspection standards. Entire
sections of some buildings were condemned, half of the hospitals could
not qualify for a license to operate a maternity ward, and less than one
hospital bed was reported to meet the needs of two. A major building
program was recommended and the cost of providing the needed facilities
was estimated at fourteen million dollars. To aid in meeting the community
needs on a continuous basis, it was also argued that a permanent organi-
ization should be established to aid the hospitals. The organization should
be supported by the hospitals and the community with representatives of
local government, organized medicine, and the public.

This report was favorably received and in January, 1945, the planning
agency was incorporated by the president of the academy of medicine,
the administrator of the downtown hospital, and a physician associated
with one of the county institutions. The principal goals of the organization
would be to engage in planning and financing hospital development, to
aid the hospitals in the development of uniform standards of service, to interpret the hospital programs to the public, to act as an agent for the hospitals upon request and to engage other activities which would contribute to efficient hospital administration and the general welfare of the community. An executive with the council of social agencies was designated the officer of the corporation.

Financing the new agency was a problem. With the acute situation of the hospitals, they could not be relied upon for the needed financial support. Assistance from other sources was necessary and two persons played key roles in obtaining the needed financial support. They were the previously mentioned executive and a Catholic layman who was an attorney. The executive had ties to a local foundation which he persuaded to give assistance. The attorney was a member of the advisory board for the largest Catholic hospital and knew about the wealth of the community including potential supporters of the new agency. As a result of his efforts, funds were obtained from a wealthy merchant family through a foundation which they had established. With these sources of support and some funds pledged by the hospitals, the agency was launched. In July, 1945, a director and secretary were employed and the original director still holds this position.

All of the present member hospitals except the small southside facility were charter members. This hospital later became a member by virtue of the planning agency staff deciding to assist in upgrading of the institution. How the pattern of cooperation between Catholic, Protestant,
Osteopathic, and other non-profit hospitals evolved is not completed clear. From the account of several persons, however, the only opposition to a united program came from the minister-administrator of the Methodist hospital who was subsequently dismissed from the administrative post as a result of his opposition. Prominent supporters of the larger hospitals including the Catholic, Methodist and downtown hospital were leading figures in organizing and supporting the agency.

The osteopaths are believed to have sought membership and were accepted on the grounds that all charitable hospitals should belong. Public hospitals (county and state medical center) were invited to be members who would share in planning and membership activities (such as the administrator's council) but who would not share in fund raising and fund allocation.

The years 1946-47 were devoted to getting organized, assembling data and working out plans for a united fund campaign and building program. The key board members for these activities were the publishing company executive, the Catholic attorney, the general manager of a large externally owned machinery manufacturing company and two prominent businessmen representing families long known for their interest in charitable organizations. Both had family enterprises with long histories in the city. None of these men belonged to the most wealthy families of the community or owned the largest economic organizations located in the city. It seems fair to characterize them as professional and moderately wealthy citizens. Other board members were drawn from the hospitals
and backgrounds similar to these men. From the viewpoint of religious
ties, the key leaders were more likely to be Catholic or Methodist.
Current board members observe that the more wealthy and influential
citizens were aware of the organization and that persons associated
with their organizations became members of the board but the absence
of some of the most powerful persons becomes apparent in subsequent
activities.

In 1948 the first capital fund raising program was launched with a
goal of slightly less than seven million to be raised in a united
campaign for voluntary contributions. The program was divided into two
stages. First, the hospitals with organized supporting groups such as
religious bodies were asked to solicit donations from members of these
groups. Also, these hospitals and those which did not have ties to
such supporting organizations would seek funds from their medical
staffs, boards of trustees, and informal supporting groups. With this
stage of the program completed, the second stage, designed as a
united drive to get donations from industry, downtown businesses and
other public sources, would begin. The progress of the campaign
proved to be painfully slow. By 1954 the goal still had not been reached
and campaign workers were weary and tired from years of work in which
the campaign had been started, then halted and resumed again.

Two explanations for the failure were advanced in the interviewing
with most of the critical comments coming from persons not currently
associated with the planning agency. One explanation is that the
united campaign overlapped with a fund drive sponsored by the Catholic hospitals. The effect of this overlap was widespread confusion which severely damaged relations to key potential supporters.

Another explanation advanced is that the campaign was sabotaged by particular interests. According to this account the most powerful member of the community (by reputation) sabotaged the drive. While desperate attempts were being made to raise funds, this person, who was publisher of one of the local newspapers, was said to have cloud the issue by discussing the possibility of securing a veteran's hospital for the city. Further, he and prominent colleagues refused to give to the campaign in accordance with their role in the community. As leaders of a major segment of the community, their support was described as lending legitimacy to community projects. The absence of their support was felt to cast doubt upon what others should do and in this case the failure to give meant the failure of many others to also contribute.

By mid-1954, some six years after the program was started, slightly more than three-fourths of the goal was reached and little progress had been realized in improving the hospitals. As a result of successful fund drives among supporting groups, however, several hospitals were able to make some improvements. The campaign for the largest Catholic hospital was most successful and this hospital was able to carry out a major building program. Smaller building programs were completed by the Osteopathic hospital, the downtown hospital, and the children's hospital.
The program as a whole, however, was considered to be very unsuccessful and the crisis was becoming more severe. At this point, the agency director and several board members concluded that they could not be successful without the support of a particular citizen. This person (whom we shall call Mr. X for anonymity) was publisher of the largest daily newspaper in the city and the leader of a family with vast enterprises based in the city. To some citizens he was the top figure in the local power structure. Apparently he took strong positions which he defended vigorously and from interviews with key leaders in the community, it is evident that he was either liked and respected or feared and disliked. Events were recalled by persons who stood up to him and won or were censured and suffered severely damaged careers. That he was very powerful is revealed in the attempts of planning agency personnel to obtain his support. One very influential person (head of a very powerful citizens committee) relates that he tried to get Mr. X's support for the hospitals and was almost thrown out of the office. After several other key board members unsuccessfully tried to present the plight of the hospitals to Mr. X, a religious leader (the Catholic bishop), decided to take the initiative and called him for a conference. Mr. X responded favorably and a conference was held at a downtown club. Following this conference he began to show interest and later attended a meeting with the leaders from the fund raising campaign. They presented a report of the hospital problems and the general manager of a major industry who was also head of the campaign, threatened severe economic sanctions against one of
Mr. X's enterprises (which he could impose) unless supportive action was forthcoming. Observers of this event recall that Mr. X began to ask for detailed data about all of the hospitals and sought a detailed estimate of needed facilities. He was quoted as saying, "We should not defer to the next generation what is needed now. Why say several million if fourteen million is needed. We will do a complete job."

Part of the power position of Mr. X is demonstrated by the fact that he claimed credit for having organized the original committee to sponsor needed public improvements and had successfully promoted the bond issue for building the city airport in the late twenties. This committee, which we shall call the Area Committee for anonymity, was reorganized in the mid forties when the present state governor was mayor of the city. Mr. X also reorganized the committee and was the chief figure in its activities though he did not hold the office of chairman. This committee has played a central role in the public affairs of the city since that time and will be discussed again at later point in the study.

Part of the strategy used to win the support of Mr. X included a letter from the campaign chairman to the head of the Area Committee in which the history of the planning agency and its fund raising attempts were related. Since the head of the Area Committee was also a member of the planning agency board and knew the situation, the letter was obviously intended for Mr. X and his associates. Approximately two years later, Mr. X said that this letter caused him and other members of the executive committee of the Area Committee to become interested in
the hospitals. He also said that they began to explore the hospital needs
discovered a situation of increasing gravity. Thus from earlier opposition
or indifference, he came to the conclusion that a major effort was
essential to improve the status of the hospitals.

III. An Idea Becomes a Law

Confronted with an estimated need of more than twenty million
dollars for hospital construction, Mr. X decided that such funds simply
could not be raised by a voluntary subscription campaign. A new state law
permitting the use of tax funds for private hospitals was the answer. In a
speech given after the law was enacted, he stated that members of the
Area Committee began to explore possible alternatives for financing the
hospitals. Privately, it is reported that he came upon the idea at a card
party with associates. At any rate, he said in the speech that members
of the committee naturally thought along the lines of public financing.
They had been able to successfully promote public bond issues for schools
and other public facilities through the area committee for about ten years.
So the questions arose, why not use public funds for the local hospitals.
This would be the answer if the private system of church related and
voluntary non-profit organizations could be preserved. He was adamantly
opposed to governmental ownership and control of hospitals arguing that
this could bring in 'politics' and would eventually mean socialism. The
federal, Hill-Burton legislation provided a precedent but it was question-
able whether the desired state legislation would be constitutional.
Having concluded, however, that public financing of hospitals operated by existing voluntary organizations was the answer, he began to organize support.

The first step was to contact a local attorney whom he said had drafted more tax bills for introduction to the legislature than any other attorney in the state. Next the services of a person with vast experience in dealing with the legislature was obtained. With a tentative bill, meetings were arranged with civic leaders in other large cities of the state. Finally the bill, with some modifications suggested by leaders in other cities, was submitted to a legal firm for an opinion concerning its constitutionality and approval for investment banking purposes. This legal firm, located in a neighboring city, was recognized by Mr. X as the authority in the state so far as investment bankers across the country were concerned.

Through Mr. X's contacts with newspaper executives, industrialists, politicians, and leaders throughout the state, vital support was garnered for the proposed legislation. Early in the campaign he called upon two leaders of the state council of merchants and said that they gave complete support to the proposed bill, adopting it almost as their own. Some local observers who participated in organizing support say that the chief supporters of the legislation locally were the X interests, the Y interests, (owners of a large department store in the city), and the hierarchy of the Catholic church. A detente was affected between these three and each placed their resources in support of the proposed legislation. Local
participants recall the extensive mobilization of resources. One member of the X organization remarked that, "We kept a plane busy for six months." The executive referred to earlier as having threatened sanctions relates that he "flew all over the state in their plane seeking support." The head of the Area Committee also canvassed the state seeking support for the legislation.

These events took place in the fall of 1954 and the winter of 1955.\(^1\) Legislative hearings brought no opponents and with the support of local representatives, leaders in the two houses and the governor, action was quickly taken. It was understandable that some industrialists, retail merchants, the church and business organizations might support the legislation. In effect it shifted the burden of fund raising more to the public but did not change the effective bases of control vested in the hands of the non-profit, voluntary organizations and church bodies operating the hospitals.

\(^1\) Records of proceedings of the state legislature were examined but the state legislature does not keep transcripts of the committee hearings. It was therefore impossible to determine the arguments made in committee. It is known that Mr. X, the head of the area committee, the tax attorney who drew the legislation, the director of the planning agency and a representative of the state pharmaceutical association appeared in behalf of the legislation.
Apparently very little, if any, organized opposition to the proposed legislation was encountered. A few citizens protested to the state hospital association that the new law might hinder fund raising campaigns in their communities but no record of any organized opposition in the city or state was discovered. One letter (from a citizen in another part of the state) to the state hospital association asked the association to take an opposing stand and plaintively pointed out that Mr. X had organized the church, business interests, and every powerful group in the state.

In a poll of its membership, the association found that a majority of its members favored the legislation. Subsequently a question was raised about the appropriate stand of the association. Should the board vote to support the proposed law or go on record as being opposed. When the issue was raised in a board meeting, the trustees voted not to take either position. It was argued that since major donors to voluntary hospitals were sponsoring the bill, it would be unwise to take either stand. To be opposed might endanger the future support of industrialists and businessmen donors while to declare in favor might be regarded by them as unwanted intrusion.

The introduction of the legislation in the legislature followed an unusual course. Rather than being sponsored by the local representatives, one of whom was majority leader of the house at the time, it was introduced by a state senator and state representative from a neighboring city who held senior posts in the legislature. Local participants say that the
legislators who introduced the bill were selected because they were the choice of community leaders in other large cities of the state.

A former state representative from the city recalls having prepared a list of possible legislative opponents for Mr. X. These legislators were mainly from rural areas and were felt to be opposed to using tax funds in connection with religious institutions. This person also recalls the voting in which all of these potential opponents voted for the bill. He marveled at the event and said, "I wish we could have lined up support like this for other pieces of legislation."

To make certain that the bill was supported, Mr. X personally called on many key citizens of the state urging them to request their legislators to vote for the bill. One typical pattern (reported by two observers of the event), was phone calls to bank presidents in the adjacent counties urging them to get local legislators to vote for the bill. When the legislation was presented for a vote, it was unanimously passed by the senate and with two dissenting votes in the house. The opposing votes were cast by democratic representatives who were quoted in the newspapers for denouncing the bill as socialism.

One final act was required for the law to become effective in the community. This was the appointment of members to the county hospital commission and again the actions of Mr. X are prominent. According to one of the county commissioners, Mr. X phoned him saying, "Don't appoint this new hospital commission until I have a chance to talk with you." The commissioner also said that he was unaware of the legislation
but a list of names was later brought over and the desired citizens were appointed. According to this commissioner, the board of commissioners looked over the list of names, found that the people looked good, and appointed them.

The final terms of the legislation provided that non-profit hospitals could deed property to the county on which new buildings would be constructed with county bond funds and then leased back to the non-profit corporations for operation. A county hospital commission could be created to act as the agent of the county to issue bonds and build new hospital facilities.

At an early stage in promoting the legislation, it was learned that public funds could not be used for modernization and renovation of old buildings. Such funds could only be used for new construction. Rather than being dismayed by this, Mr. X said that he and his associates came to the conclusion that it was just and proper. They felt it would be unwise for industry and volunteer donors to be relieved of their responsibilities to the hospitals and still enjoy the benefits of a voluntary system of private institutions operated by church and other non-profit organizations.

This meant that future building programs would include bond issues and united building fund campaigns. Such a pattern has evolved in the city with the united fund campaign coming after voters have approved the bond issues. Also, the approval by the voters is cited as an incentive in launching these campaigns. The campaign leadership argues that
"the voters have demonstrated their faith in us and now we must meet our share of the obligations."

In acknowledging legislative support for the measure, Mr. X singled out two officials of the state council of retail merchants who supported the measure on a statewide basis, a lobbyist who aided in sterring the bill through the legislature, the clerk of the senate, president pro tem of the senate, speaker of the house, and majority leader of the house (also a local representative). Also the governor was recognized as cooperative and helpful. All of these political leaders except the governor were members of the Republican party, the party which Mr. X strongly supported through his newspaper in the city.

IV. The First Building Program

Armed with the new legislation, plans were made for major changes in the hospital system and in 1956 a major building program was launched. It may be recalled that the largest of the four Catholic hospitals had been able to modernize its facilities from earlier fund raising efforts. With the support of church leaders another Catholic institution located near the downtown area was closed. The planning agency director recalls that it was his idea for the hospital to close and that he played a major role in convincing the nuns and leaders of the diocese to take this action. Located in the oldest hospital building in the city and almost bankrupt, it is understandable that closing would be seen as the logical solution to the hospital's problems. Whether the closing was due to persuasion or financial difficulty is possibly an open question.
The Order did decide, however, to assist in the construction of a nursing school at a sister Catholic institution with the understanding that the new school of nursing would bear the name of the old hospital.

The capital program finally agreed upon was estimated to cost almost twenty-four million dollars and included a definite project for each member hospital. Approximately two-thirds of the cost for the total program would be raised by county bond issue and twenty percent from voluntary subscription with the remainder coming from other sources. It was decided to build completely new facilities for the Methodist institution and the downtown hospital. The Methodist project would also include new facilities for a school of nursing. Without question, the old buildings of the two hospitals were obsolete by contemporary building standards.

It was also decided that the Methodist hospital should be moved to a new suburban location. Space limitations and changes in the location of the population were cited as reasons supporting a move to the suburbs rather than trying to rebuild in the deteriorating, near north side location. The key actors in this decision were the hospital administrator and the hospital board, especially the administrator. Recognized as an able and aggressive administrator, he argued for moving and was supported by the hospital board and medical staff.

It was decided that the downtown hospital should be rebuilt in its old location even though it was partially surrounded by slums. Downtown interests argued that since this facility was the only remaining hospital
near the center of the city, it should be maintained as the downtown institution. Further the neighborhood would soon be changed by an urban renewal program. Mr. X is also said to have wanted a new downtown hospital and it was felt appropriate to honor his request by building a completely new facility.

Other projects agreed upon were the construction of a nursing school in connection with the medium sized Catholic hospital and an addition or renovation project for each of the remaining hospitals. Additions to the school of nursing at the larger Catholic hospital and the children’s hospital were planned, with an addition in inpatient facilities in the latter institution. Small additions were included in the program for the Osteopathic hospital, the maternity hospital and the southside facility. In terms of fund allocation, the Methodist hospital came first and was followed (in this order) by the downtown hospital, the children’s hospital, the larger Catholic hospital, the medium sized Catholic hospital, the Osteopathic hospital, the maternity hospital, and the small southside hospital.

The decision making process of the construction program may be characterized in this manner. Each hospital made proposals to the planning agency staff, with the proposals being examined in light of earlier commitments, internal resources of the institution, and most recent construction. The proposals for new projects were reviewed by a planning committee composed of physicians, health professionals employed by other community agencies and board members of the agency.
Where negotiations were required, the planning agency director and
staff, especially a consulting engineer, mediated the differences with
final action, of course, ratified by the board.

In terms of previous construction, the largest Catholic hospital
had received the greatest benefit from earlier fund raising campaigns.
Also, the hospital had received a loan from the Methodist institution
which had been unable to make significant improvements due to the
failure of its own fund raising efforts and the earlier united campaign.
The children's hospital had received a considerable amount of assistance
from a local foundation and several charitable activities sponsored by
the women auxiliary and other informal organizations. As a result of
strong internal support, the Osteopathic hospital had been able to con-
struct some new facilities and was judged to be in a less precarious
position than the two hospitals which were to build new facilities.

Three hospitals held relatively weak bargaining positions. The medium
sized Catholic hospital had administrative problems and was considered
to be unprepared for a major rebuilding program. The small southside
hospital was newly admitted to the planning agency and had major
financial problems. The maternity hospital was also judged to lack
internal resources necessary to carry out a major building program.

In exchange for support in the proposed building program, the
planning agency made several commitments for future assistance. The
medium sized Catholic hospital which needed a new physical plant
would receive assistance for such a project in the next building program.
The Osteopathic hospital would also receive major consideration and the two smaller institutions would be upgraded.

All of these commitments were not made by the planning agency staff but took place over a period of time with many persons involved in the negotiating process. Due to the passing of time and inability to contact some persons involved, it is difficult to identify the key actors and their actions. It is generally held by the staff and the board members of the agency that the hospital administrator in each case played a key role. He prepared statements of proposals in conjunction with the medical staff which was used for technical assistance. After being received by the planning agency staff, the proposals were submitted to a planning committee including members of the board of trustees, physician representatives, and professionals with other health agencies in the community. The people on this committee were wealthy citizens with time and interest and professionals from the health field. Their role was to coordinate all of the projects and to present recommendations to the board. Here the major negotiations concerned technical issues as they related to overall need and anticipated funds.

After tentative acceptance, the project proposals were submitted to the agency board and from the board to the Area Committee for review and approval. The question concerning this committee was the size of the bond issue which its members would recommend to the county commissioners and which they would support in a publicity campaign before the election. Finally the committee decided to support a bond
issue of fifteen million dollars and to recommend that the issue be placed upon the ballot with a series of bond issues for schools, city street development and other city projects. Since this was the first hospital bond issue, it was argued the issue should be included with other popular projects to insure favorable acceptance. Both recommendations of the Area Committee were accepted by elected officials and representatives of the hospitals. It should be stressed that the decision by the Area Committee was accepted as binding and no protests were made. At least no project could be detected in the interviewing.

Having agreed upon the bond issue it was submitted to the electorate and favorably accepted by more than seventy percent of the votes cast. The astonishing fact about the bond issue is that no publicity was given to explaining the meaning of the action. Participants simply say, "It was sold quietly." All of the hospitals were to seek the support of physicians, employees and friends. All newspaper publicity concerning the proposed program was favorable and no question was raised in the newspapers concerning the desirability of the new financing method. Also no concerted attempt was made to explain the consequences of the action for ownership of the hospitals. A considerable newspaper advertising campaign was waged by the Area Committee. Support was obtained from most other civic organizations in the community and they were identified in the newspaper advertising. By its actions, the area committee neutralized the board of realtors which might have been expected to protest. This is not to say that there was no opposition,
either to the campaign or the new means of financing hospital development. Some citizens have questioned the constitutionality of the new legislation suggesting that the law violates the principle of separation of church and state but they have not organized any opposition.  

In addition to the bond issue, it was also necessary to organize a voluntary fund raising campaign to raise funds for the modernization and renovation projects for the hospitals. Although a professional fund raising organization was employed to conduct the campaign, local leaders were mobilized in a campaign committee to direct the fund raising operations. The key members of this committee included the head of a local investment company as chairman, the head of the Area Committee, president of the largest retail store in the city, general manager of the largest industrial employer in the city, a book publishing company executive, a physician, director of the Chamber of Commerce, the head of a utility company and the president of a relatively large locally owned industry.

Mr. X played a key role in launching the campaign for contributions from industry and took the occasion to review his actions in behalf of the local hospitals. In a speech to industrial leaders invited to a

\[\text{2 Almost ten years after the enabling legislation was enacted, a test case was entered in the state court to determine the constitutionality of the law. The court held that the law was constitutional and no further appeal has been made.}\]
private club, he related the sequence of events which culminated in the enactment of the new legislation and the development of the building program including his role and that of the Area Committee.

V. The Second Building Program

A. A Prelude to the Events

In the late spring and summer of 1964 a second major building program was developed by the planning agency and member hospitals. Like the first program, this effort was a major undertaking which required a large county bond issue and voluntary fund raising campaign. The principal actors in developing the program include the Area Committee, members of the agency staff, administrators of the hospitals and a few board members of the planning agency. The actions of most board members were limited to supportive roles in which they simply voted on the issues but several played critical roles in negotiating fund allocations and in initiating important parts of the process. The critical differences discovered in comparing this program with the program just described, center around the strengthened role of the planning agency staff and problems which emerged in later stages of the fund raising and fund allocation activities. To provide an introduction to the sequence of events, some outcomes of the earlier actions should be noted.

With enactment of the state law and successful launching of the building program, the planning agency experienced a profound transformation in its ties to the local power structure and organizational
identity. With the support of Mr. X, who died before the program was complete, ties to the local power structure were vastly improved. His support consolidated the support of a major segment of the power structure missing in the early years of the organization's life and following his death, members of the family and key executives associated with the family enterprises continued to support the agency. Also, the creation of the county hospital commission and the united hospitals building fund committee whose membership overlapped with that of the planning agency board, consolidating the planning, fund raising, and fund allocation activities, and gave the planning agency considerable power over local hospitals.

The local success attracted national attention to the organization, which was previously unknown on the national scene. Part of the reason for this recognition is that local efforts were paralleled by a national movement to promote area wide hospital planning in metropolitan areas across the country. In the late fifties, the U. S. Public Health Service in cooperation with the American Hospital Association began to support metropolitan area planning for hospitals and later became a major source of grant funds to establish such agencies.\(^3\) News of the state

legislation and local planning program spread quickly in hospital circles throughout the United States.

The first national recognition came in 1956 with the publication of an article in the *Journal of the American Hospital Association* in which the agency director described the effects of the new legislation. Additional publicity came in regional conferences sponsored by the Public Health Service and American Hospital Association in 1959. In 1960 the director was invited to join a fifteen member national committee sponsored by the Public Health Service and the American Hospital Association to develop guidelines for area wide hospital planning organizations being created in other metropolitan areas of the country. Following this a national conference of hospital planning personnel was held in the city, with the planning agency serving as host and the local hospital program being presented as a model for other cities. In 1961 an associate editor of *Fortune* magazine described the planning agency and local hospital system as representing one of the emerging trends in metropolitan area hospital systems. In 1962 a federal grant was awarded to the agency to establish a prototype regional planning service by extending its planning services to thirty-six surrounding counties in the central and southeastern part of the state. Since that time additional grants have been awarded for other health demonstration projects.

As one of approximately a dozen metropolitan area hospital planning organizations in the country in 1960, the agency came to the attention of
officials in other cities seeking to establish similar planning bodies. Representatives of other planning agencies were encouraged to visit the agency for information and conferences and parenthetically it might be noted that the author's first contact was in such a role.

To staff increased the operations, the professional staff was greatly enlarged. While the professional staff for planning in the earlier program consisted of the director and a consulting engineer, both still employed in these capacities, the new staff consisted of several persons trained in the health fields. Six new members held M. A. degrees in hospital administration or public health and a seventh was a physician with extensive experience as a hospital administrator. The director of the planning program held an M. A. degree in public health and had several years of experience in health administration.

One consequence of these changes was that the goal of planning could be taken more seriously and the staff was more able to initiate basic policy actions as well as the hospital administrators. Two of the most obvious examples of actions initiated by the staff before the second construction program began are a study of chronic illness and the successful promotion of a branch hospital project. To determine the extent of local need for chronic illness services, the staff requested a federal grant for the community survey. This request was initially rejected but a later application was approved with the city health department as the sponsor in cooperation with the planning agency and several other health organizations. The director of planning for the
agency also served as director for this project. An extensive survey, the study required more than two years to complete and the author was employed as field director for the data collection and analysis phases.

To draw attention to the chronic illness problem the planning agency director also organized a three day working conference with national figures to discuss the issues and make recommendations for local action. From the study and conference came the conviction that local action was essential and that one of the hospitals should sponsor a facility for the chronically ill. Both actions also generated a broader base of support.

The concept of a branch or satellite hospital was advanced by the staff and accepted by representatives of the Osteopathic hospital who built the project. Financed by a loan from one of the city's largest insurance companies, the facility was designed to serve the growing suburban population on the western border of the city and was placed in operation in 1962. After two years of operation representatives of the hospital came to see that the facility was a tremendous success and the planning agency board accepted the policy that member hospitals should construct branch facilities rather than waiting for other sponsoring groups to emerge with requests for hospitals in the growing suburban areas.

Both of these actions bear heavily upon the design and outcome of the building program which began to take shape in the spring of 1964. Also, the continuous collection of utilization data from the member hospitals aided in defining the nature of the construction program.
B. The Timing of the Bond Issue

In the spring of 1964 the planning agency staff began to seriously consider the need for developing a major building program. Most of the hospitals were experiencing an increasing demand for service and several were in the process of developing project proposals. These included the medium sized Catholic hospital which had been passed over in the first program, the Methodist hospital and the largest Catholic hospital which was contemplating the development of a mental health project. The small southside hospital had employed a hospital consulting firm to prepare plans for development of the institution. With these developments and an accumulation of data indicating an increasing rate of utilization, the staff and members of the board reached the conclusion that a new building was needed. It was also decided that a new branch hospital should be constructed in the eastern sector of the metropolitan area. In the preliminary decision for the building program a time table for action was not established. Preliminary estimates, however, indicated that forty million dollars would be needed to finance the program which might be initiated in 1965 or 1966 or possibly earlier.

Concurrent with these activities were the planning actions of two other organizations in the city, the board of education and the city administration. Both had developed plans for major projects which required large bond issues. The board of education proposed a thirty-four million dollar bond issue for school construction and the city administration proposed six bond issues for freeways, streets, urban renewal,
street lighting, and other improvements which came to more than thirty million dollars.

Following the institutionalized process of submitting all city and county bond issue projects to the area committee, the mayor and superintendent of schools presented their proposals for review and approval. By this time the Area Committee had carved out a reputation for being the unofficial grouping of interests whose approval must be obtained for the success of bond issues. Members of the committee were recognized for the possession and exercise of vital resources which could affect the outcome of an issue. Approval of a project could result in promotional assistance, with the committee organizing an advertising campaign, providing speakers and informational services to interested persons. All of these actions would be coordinated by the committee chairman through a downtown office.

Rejection of a bond issue by this committee usually meant the death of the project. Political leaders, especially county officials, would be loathe to place the issue on the ballot and if the issue did reach the ballot, the likely probability was a publicity blackout.

Upon receiving the city and school system proposals, the committee gave preliminary approval. The proposed bond issues would not change the tax structure and the proposed improvements were obviously needed. In the discussion of these issues, Mr. H informed the committee of tentative plans for the hospitals. Rather than deciding to promote the
hospital bond issue in a subsequent year, it was decided to promote a
package set of bond issues for the schools, hospitals and city improve-
ments in the fall election. Mr. H then informed the planning agency
staff of this decision and a crash program was begun to get a bond issue
on the ballot for the November election. It was then the first week of
June and to be placed on the November ballot, a bond issue would have
to be submitted to the county commissioners by mid July.

It is noteworthy that the newspapers carried a report intimating the
actions of the Area Committee. In the afternoon newspaper it was
reported that the committee would begin weighing requests for an
expected eighty million dollars in bond issues. Only the chairman of the
committee was identified by name with the comments that the executive
committee would sift through the requests in a series of meetings and that
leaders of the committee represented 100 civic, social, business, labor
and other groups in the city.

C. The Design of Specific Projects

Although the planning agency had begun to compile a tentative
program, the decision for a crash program resulted in a frantic series of
almost daily meetings with hospital representatives to develop specific
projects. Given prior commitments and the plans of some hospitals, how-
ever, it was possible to act relatively quickly. Word was passed to the
hospital administrators to submit proposals for consideration and the
speed of events is indicated in the remarks of one administrator who said,
"We were called one day and told to have a proposal in the next."

Utilization studies indicated that the hospitals experienced differential demands for service but it was decided that all should be included in the program. Almost immediately after the decision was made to present the bond issue in the fall election, the planning agency board met for its monthly meeting. The crash program was accepted without opposition, although some were uncertain about being able to meet the deadline.

It may be recalled that commitments were made in the earlier program which were to be honored. Included among these was a promise to assist the medium sized Catholic hospital in the construction of a new physical plant to replace the outmoded main building of the hospital. Parts of the building were more than sixty years old and were found to be non-fire proof in engineering studies. In contrast to some of the hospitals, the administration of this hospital was prepared to act. The key issues to be decided simply concerned the size of the facility and amount of funds to be allocated.

A similar commitment had been made to the Osteopathic hospital and since the new branch unit of this hospital was constructed with other funds, assistance in the proposed project was deemed essential. Part of the main hospital building was non-fire proof and a major part of the project would simply be the replacement of this unit. The administration of this hospital had also developed a program and was prepared to act.

Although no prior commitment had been made to the downtown hospital to improve its school of nursing, representatives of the hospital pointed
out that the nursing school facilities were also quite obsolete and housed in a non-fire proof structure. Since the nursing school facilities of the other hospitals were relatively new and the program included an attempt to replace all of the non-fire resistant structures, the hospital proposal was accepted. It may be coincidental but the head of the area committee and chairman of the planning agency board was also a member of this hospital board.

The two projects which required careful handling were the proposed branch hospital and a facility for the chronically ill. To select a sponsor for the branch facility, three institutions were invited to submit proposals. These were the Methodist hospital, the downtown hospital, and the largest Catholic hospital. The proposals would be reviewed by the staff and a subcommittee of the board to decide which institution should build the facility.

To hear the proposals, a meeting was held at the city health and safety center with the planning agency staff, hospital representatives, and the subcommittee of the board. Based upon the three presentations, the largest Catholic hospital was accepted as the appropriate sponsor. A major factor supporting the decision was that the hospital already owned a tract of land in a suitable location. Should one of the other hospitals construct a facility in the area it would be necessary to raise funds to purchase the land. Other factors, such as proposed projects of the two other hospitals were considered, but the public argument was based upon ownership of the land.
With the branch hospital issue settled, the sponsor for the chronic illness project was also determined. Given the resources of the Methodist hospital (a stronger financial position), it was argued by the planning agency staff that this hospital was the logical sponsor for the facility. Also a number of previous discussions had been held with hospital representatives who had proposed an addition for short term acute illness. Finally a compromise was reached in which the larger part of the project would include a unit for chronically ill patients. Actually it was the original goal of the planning agency staff to achieve these outcomes; the meetings were simply necessary negotiating tactics to sell ideas and gain support.

The three remaining projects were considerably less difficult to organize. These were projects for the small southside hospital, the children's hospital, and the Catholic maternity hospital. In the case of the southside hospital, the considerations centered around replacing an outmoded building and enlarging the hospital to a more economical operating size. Due to small size, limited financial resources and very weak ties to influential citizens, the hospital was highly dependent upon the actions of the planning agency. The agency staff supported the hospital's proposal and it was decided to proceed with a project depending upon the amount of funds available.

The children's hospital and the maternity hospital were caught unprepared for the building program. The children's hospital, unlike the other institutions, had a relatively low rate of utilization and could not
effectively present its case. As a result the proposed project was reduced to approximately one-third of the original size. The maternity hospital was also confronted with a relatively low occupancy rate due to a decline in the birth rate and a decrease in length of the average patient stay. Some consideration was given to closing the hospital and moving to another location at a future date but it was decided that the more economical move would be to improve the existing facility and expand its services to include medical and surgical facilities for females. This would be achieved by a relatively small building project which would also strengthen the operating base of the institution.

While these negotiations were in process a meeting was held with members of the Area Committee to present preliminary estimates of the program. Based upon proposals received from the hospitals and the projects advanced by the planning agency staff, it was estimated that forty million dollars would be required for the program including a twenty million dollar bond issue. With these rough estimates, the Area Committee was asked to support the bond issue for approximately one half of the total.

The request brought an objection from one of the more powerful members of the committee. As head of the largest retail store in the city and leading member of the Y family, this person was regarded as one of the most powerful persons in the city and a man whose opinions should be respected. Prior to the meeting it was learned that the county commissioners were concerned about the bond issue and would prefer to
promote bond issues for the construction of a new courthouse and county jail. Whether these considerations entered into the deliberations is not known but it is known that the above leader argued for a reduction and the reduction was accepted. Observers of the meeting, including members of the staff and a board member, say that he argued for a fifteen million dollar issue on the grounds that it was more realistic and the public would more be likely to accept this amount. Based upon observations of the planning agency staff, it appears that part of the strategy was to aim high and settle for a smaller amount.

With the reduction in size of the bond issue, it became necessary to reduce the scope of several projects and explore the possibility of raising additional funds from other sources. Attempts were made to reduce all of the preliminary projects presented by the hospitals but it was recognized that the reductions could not be uniform. The most drastic cut came for the children's hospital project which was reduced to approximately one-third of its original size. The branch hospital and project for the southside hospital were also reduced by approximately one-fourth while the others were scaled down to a lesser degree.

It should be noted that the events moved very swiftly following the decision to proceed with the program. Approximately one month from the date of this decision the board met to approve the projects and the bond issue request. As an employee of the agency for the summer months, the author reported for work just after the decision was made to proceed with the building program. The position held was not associated
with the building program but rather to analyze data obtained in the chronic illness study and to participate in the regional planning program. As a consequence it was not possible to participate in any of the preliminary meetings or conferences with hospital representatives. It was very evident, however, that a crisis atmosphere pervaded the organization.

An invitation was extended and accepted to attend the board meeting in which the final project plans were presented. The planning agency facilities were inadequate for the number of persons expected for the meeting and an alternative site was sought. Significantly, the meeting was held in the board room of a downtown insurance company whose board chairman was also chairman of the planning agency board and head of the powerful Area Committee.

The board meeting was a very dramatic moment. As an observer one could see the tension reflected in the staff activities and final preparation for the meeting. It was decided that the agency director would introduce the program, the director of planning would present an overview of the projects and technical comments would be made by the consulting engineer. All of the projects had been reviewed by a planning subcommittee of the board and approved prior to the meeting, so it was felt that opposition would not develop as the projects were presented. As an open meeting, however, it was recognized that problems could arise which might upset the precarious balance.

When the meeting began, the board room was filled to capacity with chairs lining the sides of the wall as well as the conference table.
More than fifty people were present, with almost all of the board members, representatives of all the hospitals, and most professional staff members of the planning agency in attendance. As the projects were discussed few additional comments were made by hospital representatives. The only defense to emerge was expressed by the administrator of the medium sized Catholic hospital who argued that the project could not be reduced. He reminded the group of earlier commitments and in response received assurance from the board that further reductions would not be made.

Following the presentation of the projects the director of the Blue Cross agency, and also a board member, rose to challenge the program. Declaring that the construction was unnecessary, he argued that the cost to the hospitals would be passed on to the Blue Cross subscriber and that the entire construction program was unwarranted. His argument failed to attract adherents, however, and in the absence of further opposition, the program was unanimously adopted except for his vote.

Partly as a result of a newspaper strike which lasted from June 9-28, it was possible for the planning agency to limit publicity of the events. Immediately after the strike ended, however, both newspapers published an account of the proposed projects with estimates of size and the funds to be allocated. Also, they indicated that a county bond issue of twelve to fifteen million dollars would be requested. Following the board meeting, a brief summary of the meeting including the opposition expressed was reported by both newspapers.
With approval of the board and Area Committee, the next step was to submit the bond issue proposal to the county commissioners who would act to place the issue on the November ballot. While only one member of the commission expressed open opposition (which was also recognized by the newspapers), all expressed concern about the effect of the issue on future county projects. The opposing member argued that the county could not legally issue bonds for more than 12.9 million and technically he was correct if the bonds were issued immediately.

In an early attempt to win support, the planning agency director explained the rationale for the program to the commissioners but failed to impress upon them the critical need for the program. Following this, the board chairman, acting in his capacity as head of the Area Committee, engaged the services of tax attorneys who determined that the county could legally take the action, provided the bonds were issued over a period of several years. This was quite satisfactory with the hospitals since most were not prepared to act immediately. Also, given the high rate of economic growth in the city and an increasing tax digest, the negative effects for other county projects were judged to be temporary.

Approximately one week after the board approved the project, two of the three commissioners voted to place the bond issue on the ballot, thus ending the first stage of the program. In a newspaper account of the event, two commissioners voting for the bond issue were quoted in the newspaper as saying, "Let the voters decide the issue." The third member and outspoken opponent (though his protest was mild) was
identified as voting against the issue. In the same newspaper account, the chairman of the Area Committee was quoted as saying there was no danger to county finances. The head of the county hospital commission, which holds legal responsibility for the use of county funds, was also quoted as saying that a reduction in the issue would wreck the whole program. This person also held an important position in one of the X family enterprises.

In what appears to be a move to placate the commissioners or cloud the issue, a local real estate developer suggested that the commissioners give consideration to the construction of a new courthouse under a lease-purchase plan. This event was reported in the afternoon newspaper on the day before the commissioners voted to place the bond issue on the ballot. The newspaper also quoted the commissioners as saying that they would name the developer and two attorneys as co-chairman of a committee to explore this alternative.

With the bond issue on the ballot, the first crisis was successfully overcome. The next actions were taken by the area committee which organized a promotional campaign for the entire package set of bond issues. This included the bond issue for schools, and the six issues for city improvements as well as the hospital issue. All of the issues, except the proposed bonds for urban renewal, were accepted by the voters.

D. The Voluntary Fund Raising Campaign

Following the November election it was possible to proceed with the
voluntary fund raising program. Although a professional fund raising company was employed to conduct the campaign, a fifty-four member campaign organization was created. At the suggestion of the agency director, a younger member of the X family was selected to head the campaign. Three vice-chairmen were also selected, including a local milk company executive and real estate developer, the owner of a downtown business, and another member of the X family. Upon the recommendation of the planning agency a goal of five and one half million dollars was set for the campaign, which was an increase of fifteen percent over the estimate prepared when the bond issue was approved.

Five campaign divisions, with goals for each division, were established. The separate divisions were to solicit donations from industry, commerce, physicians, and persons or organizations which could give special or major gifts. Approximately thirty-six percent of the total was assigned to the industrial division and eighteen percent to the medical division.

By the time the campaign was launched serious questions about the building program were raised by several persons. The medical staffs of several hospitals were reported to be especially unhappy with the allocations granted to the hospitals where they practiced. Among the affected hospitals were the maternity hospital, the children's hospital, and the largest Catholic hospital. Negotiations with representatives of the maternity hospital resulted in an additional allocation and this problem was solved. The cases of the other two hospitals, however, were much
more serious.

The failure of the children's hospital to receive assistance for a larger project led to alienation of a number of physicians. As an expression of dissatisfaction, the chief of staff is reported to have walked out of the meeting in which the fund raising drive was launched. Perhaps even more serious was the misunderstanding which developed with the hospital which decided to sponsor the branch facility. In the preliminary negotiation stages, the hospital was planning to develop a relatively large mental health unit and in the agreement to build the branch facility, its administration apparently received the impression that support would be forthcoming for both projects. Unfortunately, this proved to be a misunderstanding and one consequence was that the mental health facility could not be constructed.

Due to the reluctance of hospital officials to discuss the situation, it was not possible to obtain a completely clear picture of what happened. It is clear from the observations of several persons, however, that the administration of the hospital tried unsuccessfully to renegotiate the project and to obtain an increased allocation of funds. It was also argued that the branch project be postponed and additional facilities be added to the main plant. In response to this position, other members of the planning agency pointed out that a commitment had been made to the citizens of the county and to avoid difficulty in seeking approval for future bond issues, the commitment must be honored.
The decision for the branch hospital also led to some opposition from the medical staff. As a prestigious institution, the hospital was said to have attracted and maintained a high quality medical staff, whose membership was predominantly located on the west side of the city while the new project would be located on the east side. Further, many physicians who lived near the location of the proposed facility were said to be rejected applicants for membership on the medical staff and should the hospital construct the project, it would be necessary to admit them to the staff.

Another factor which influenced the fund raising campaign and tended to alienate some physicians was the establishment of a norm for physician contributions. Some argued that the medical profession should not be singled out for contributions unless other professions were also solicited. Others argued that the attempt to establish a norm for contributions was also unwarranted. While a majority of physicians contributed to the campaign, the strained relations led to several discussions with some hospital medical staffs and at one point the agency director attended a meeting of the Academy of Medicine to discuss the problems with the physicians.

In contrast to the medical doctors, local osteopaths were recognized for outstanding contributions to the campaign. Also, the osteopaths and the administration of the osteopathic hospital enjoy a reputation for strong support of the planning agency and united community activities generally.
A general summary of contributions after one year of the campaign shows that eighty-seven percent of the goal was reached. Of the five divisions, the commercial and major gifts divisions exceeded their goals with the other divisions falling below the level of support anticipated. Generally, the physicians were recognized as contributing the least toward the support anticipated. It is significant, however, that the industrial division did not reach its goal. Most of the large industries in the city are externally owned and despite the fact that officials of these companies were in charge of this part of the campaign, several companies gave considerably less than the fund raising organization expected.

According to leaders of the campaign organization, the support received from local labor groups was very limited. Meetings with labor representatives were described as bargaining sessions in which the labor leaders sought to determine the number of hospital board members their organizations would be permitted to have in return for various levels of support. Part of the ideology on which the planning agency operates prevents any attempts to pressure labor groups for support or an attempt to seek funds from the general public. Since the bond issue is supported by taxes on local property, it is argued that business and industry along with the physician should be the primary supporters of voluntary fund raising efforts.

From an analysis of these decisions for hospital development and the participation of various persons in the community, it is clear that a major
role is played by the economically influential. The major decisions concern- 
ing the level of tax support, the proposal for the state legislation and the timing of events were strongly influenced by leading figures with economic enterprises based in the city. Managers and officials of absentee owned companies play significant but clearly secondary roles. Professionals play minor mediating and technical roles and do not initiate policy actions of major importance. The planning agency has a broad range of ties to physicians and the hospitals as well as economic influentials but the role of the physician in the key decisions appears secondary though organized medicine has a number of representatives on the board.
CHAPTER VI

LOCAL LEADERSHIP AND THE STRUCTURE OF INFLUENCE

I. The Identification of Local Leaders

A major goal of the field research was to identify the persons associated with the decisions for hospital development and to describe the roles which they played. Another goal, however, was to identify the top leadership of the community and to test some hypotheses about the structure of power in the city. In our study of the decisions for hospital development, we have utilized the decision making or event analysis approach with the observed data being based upon records and/or interviews with persons observing or participating in the process. We now turn to an examination of the top leadership of the community as revealed by the use of reputational techniques.

In attempting to identify the top local leaders we have relied upon what is known in the literature as the one-step reputational approach as opposed to the two-step approach. Essentially this approach assumes that the top leaders may be identified simply by asking respondents to name them. The two-step approach requires the preparation of a list of presumed influential leaders from which informants are permitted to select and rank the influential or perhaps to add to other names not on the listing. Each of these approaches presents the researcher with a different and peculiar set of problems. Use of the one-step approach
means that the interviewee is confronted with an unstructured situation
in which any citizen may theoretically be named. Following the two-step
approach, one constructs a list of names which is possibly spurious or
at least prejudicial and which may therefore tend to bias the response.
The literature indicates that in the latter case it is biased in the direction
of discovering a more monolithic or pyramidal, leadership-power distri-
bution than really exists. For this reason the one-step approach was
selected with the respondent being asked simply to list the ten top
leaders of the community.

The sample of respondents was designed to include board members
of the planning agency, members of the agency staff, and other citizens
believed to be active in community affairs or who held positions with
opportunity to observe key actors in the community. Except for the planning
agency board, no formal listing of persons to be interviewed was prepared.
Also, no limits were established for the number of interviews except that
representatives of all major voluntary organizations and interest group-
ings would be included. As pointed out earlier, some of the persons
interviewed were discovered via the 'cobweb' or 'snowball' techniques.
Persons who were identified as participants in some important decision
making process or as competent observers thereof led to an interview
attempt.

Five members of the planning agency board, (consisting of the news-
paper publisher, attorney and head of the turnpike commission, banking
executive, industrialist, and a hospital administrator), declined to be
interviewed. Two declined on grounds of being uninvolved in the key decisions of the agency and the data obtained for the decision making processes indicates that their statements were true. Two could not be contacted directly but reports were received that they were too busy to participate in the study. The fifth person agreed to be interviewed but at the time of the interview, sent a representative instead. Four additional board members including a physician, two housewives and a representative of one of the county hospitals were not interviewed because they did not appear to play any significant role in community affairs or the decision for hospital development.

With the completion of interviews with seventy-four persons, sixty of whom gave data about top leaders, the goals seemed to be accomplished. Continued interviewing appeared to result only in further confirmation of the general pattern. Actually almost everyone gave some information concerning the leadership of the community but several economic influentials declined to name influential leaders and several professionals stated that they did not know who should be included in such a listing.

The interview sample included forty-two members of the planning agency board, five staff members and twenty-seven persons not associated with the agency.

An occupational listing of the persons interviewed is reported in the appendix.
II. Top Leadership Based Upon Reputation

In the early stages of the field research, three distinct themes began to emerge and remained evident throughout the interviewing process. The first of these to be forcefully observed was the recognition accorded to one set of local interests and to one person in particular. In almost every interview, the name of the X family or of their economic interests were mentioned. Although persons were not asked to rank the top leaders of the city in terms of some scale of perceived influence, it readily became apparent from the observations of respondents that the current leader of the X family interests was accorded the most powerful rank in the affairs of the local community.

Another theme was the extent and nature of conflict between the X interests and other leaders in the city. In contrast to the findings of cohesive, harmonious power elites of leadership structures found in some cities, it became evident that conflict pervaded several activities in the city. Interviews with the heads of local agencies and others led to the conclusions that certain board members of these agencies were considered to be X organization representatives. The most striking observation was the widespread belief that members of this set of interests sought to dominate the affairs of the community. For almost every major sphere of community activity, they were believed to have a policy which was promoted with vigor and fairly frequent success. Almost everyone else was perceived in lesser or secondary roles. This does not mean that the X people are the most widely admired and respected
leaders of the city who command a broad following of enthusiastic supporters. Actually they are rather frequently viewed as a power structure rather than a leadership grouping which people want to follow. Rather than being accorded the recognition of a leadership grouping pursuing the better interests of the larger community, they have come to be seen as a veto group with the capacity to veto major proposals for the welfare of the city. Progressive leadership to the extent that it exists is said to come from other sources and the institutionalized mechanisms found in the community tend to support this assertion.

The attempted political dominance of this grouping is almost legendary. Through the control of a major segment of the local press and other vital resources, they have carved out a reputation for promoting political candidates who accept their philosophy of conservative politics and attacking all others who espouse different viewpoints. The interviews with local politicians bear out the assertion that the group is politically powerful and that the press is regarded as a major instrument of control. Only one political figure with some degree of prominence expressed an attitude of independence. Actually a part of his success appears to be due to independent attitudes and actions and the fact that the X family is considered to be an open enemy. During the interview, he simply remarked that, "They hate me because they cannot control me."

The nature of the conflict between the position of the X group and
others in the city has led to an atmosphere of distrust and suspicion. Prominent citizens expressed fear of the consequences for important public organizations should the head of the organization get too far out of line with accepted practice as seen by the X interests. Such a move could lead to retaliation and damage to the organization as well as to the person directing its operations.

The extent of distrust and suspicion was very forcefully detected in some of the interviews. As a stranger, though a holder of a good introduction in almost all cases, the researcher's question about top leadership brought forth the typical response: "I don't know you and I am not sure that I should trust you." After reassurance that respondents would not be quoted by name, defenses tended to weaken, with the respondents making some observations about the leadership of the city. It became obvious, however, that some prominent citizens had been strongly censured especially in the local press and were very concerned that their comments might upset the precarious balance of cooperation between key groups in the city.

Most people were willing to discuss the decisions for hospital development and their orientation to community issues although some were reluctant to discuss their impressions of top leaders. Rather than list any particular leaders, these persons limited their remarks about top leadership to such observations as, "The key men in town are the board directors of the Chamber of Commerce;" "The Area Committee is the group you are talking about;" or "The planning agency has most of
the important people."

The third theme which ran through all of the interviews was a tendency to describe top local leaders as the heads or key members of locally owned enterprises. The managers of the large absentee owned corporations were frequently mentioned but almost always in terms of secondary roles. They were seen as important contributors to whom one should turn for financial assistance and possibly leadership but not for the primary leadership role. Beyond the tendency to identify the heads of local enterprises, there was also the tendency to select for the top leadership role those persons associated with the larger organizations of the city. Being wealthy was not an adequate criterion; one must also be associated with a major organization based in the city and usually an organization which played an active part in local affairs.

Rarely were political figures mentioned, with the mayor of the city being the only political figure to be nominated. Occasionally a labor leader was named but the one most frequently mentioned has a reputation for supporting business leaders. Two religious figures, the Methodist Bishop and the Catholic Bishop, were mentioned but they do not enjoy widespread recognition.

In the later stages of the interviewing, it became evident that four coalitions, whose members perceived the other coalitions to hold opposing or different viewpoints and to have specific spheres of influence, were dominant in the affairs of the city. The X family, their business associates and political allies were clearly regarded as the most powerful
single coalition in the city. Recurrent comments also suggested the existence of other coalitions which centered around two national banks and a major insurance company. Also, it appeared that these were two distinct organized groupings which represented progressive and conservative forces in the city.

In addition to the Area Committee identified earlier, another citizens committee, which we will call the Action Committee, was discovered. From tentative membership lists it could be observed that some members were on both committees; others, however, who were noted to be very prominent in community affairs, were absent from the membership of the Action Committee. The absence of these persons led to an attempt to determine why they were not active in the committee. If it could be assumed that they were highly influential in the city and that the Action Committee was also important as some respondents claimed, how could their absence be explained. The answer to this question was found in discovery of a disagreement over flood control which had taken place three years earlier. In this controversy the X interests were said to have withdrawn because they could not control the action of the organization and a content analysis of newspaper reporting of the event supports this assertion.

The discovery of the coalitions which centered around the banks and the insurance company was spurred by continued reference to certain individuals or particular organizations whose support was held to be essential to for major community project. The discovery of these
coalitions was also reinforced in the collection of data about the economic structure of the city. From the overlapping ties of the board members, it appeared that the most widely recognized leaders also tended to have ties to the three national banks in the city. It was obvious that the leading figures associated with the banks were also associated with the hospital planning agency or played key roles in the decisions for hospital development. Inspection of board membership lists for civic and voluntary organizations revealed that these persons were also influential in other community organizations. A fourth coalition appeared to center around a large insurance company whose officials were active in community affairs but the role of this coalition was not clear until the later stages of the interviews.

It was possible to arrange interviews with key members of three of these four potential coalitions and in the process of discussing top leadership to raise questions about their perception of the four coalitions. In each case the answer was affirmative. The network of political ties was also pointed out, with the special interest areas becoming even clearer. With accumulated references from the interviews about top leadership and collection of lists of boards of directors for civic and voluntary agencies, it has been possible to construct a picture of the leadership-power structure of the city. In the following section the ten most frequently nominated leaders will be discussed.
III. The Ten Top Leaders

The high recognition of the current leader of the X interests in the city was observed in the preceding section. In practically every listing of persons obtained, his name was mentioned. In the absence of his name, a representative of the organization was usually identified.

Next in recognition were two members of another family, known primarily as the owners of a large retail outlet in the city. The nominations accorded both members of this family, which we will call the Y family, are combined due to the tendency of most respondents to make no distinction. Some respondents did make a distinction, with the added observation that for additional support in a cooperative endeavor, the Republican member would be the better choice. The Democratic member was observed to be too liberal and his actions might lead to strained ties with other important groups in the conservative leadership sector. Persons with close economic ties to these men, however, made no such distinction.

From the interviews concerning hospital decisions, certain persons were described as representative of prominent families in the city. In the early years of the planning agency, members of these prominent families contributed to its program by generous amounts of time and money. They were not the most wealthy citizens but they were described as persons who accepted the notion of noblesse oblige. In the nominations of top leaders some of the members of these families were occasionally mentioned. For the most part, however, only two family
names, those of the X and Y families, were mentioned.

In listing these two families or their current leaders, it was frequently pointed out that they strongly disagree on how community affairs should be handled. Based on reputation, the Y family is primarily Democratic, more liberal in community affairs, and more likely to support welfare measures and to contribute to civil rights activities while the X family is Republican and considerably more conservative in orientation. The leaders of both families are older men whose leadership role may be transferred to younger members. Some anticipate that this event will result in a more liberal role especially for the X family.

The third most frequently nominated person is an attorney, whose influence is based to a high degree upon ability as a mediator and especially a mediator between the above interests. Praised in the local newspapers, recognized by the governor as making an outstanding contribution to the city, and widely liked, his own accounts of activities verify the recognition as an important mediator. In the interview concerning decisions for hospital development, he suggested that the success of a community project would depend upon the support of the power structure. To successfully launch a project he observed that, "The first thing you've got to do is analyze the power structure." He then proceeded to give illustrations of strategies which he had used to obtain cooperation for various projects. These techniques seem to simply consist of careful assessment of the problem, an estimate of probable support from the important factions, and proposals formulated in terms of
commitments received from influential leaders. In contrast to the preceding persons, he is very active in community organizations. He was head of the Area Committee, former president of the chamber of commerce, a hospital trustee, and active board member in the hospital planning agency and several other civic organizations. He also commands considerable personal resources as the head of an insurance company, a shoe company, and a law firm in the city. Although widely recognized in the city, a number of respondents described his leadership role as becoming less influential and believe that his influence with the X family has declined.

The fourth most frequently nominated man is president of one of the national banks. Like the attorney just described, he has been very active in important civic and voluntary organizations. These activities include being president of the Action Committee, past chairman of the planning agency board of trustees, hospital trustee, and board member of the area chamber of commerce and the state chamber of commerce.

The fifth most frequently mentioned person is a real estate developer whose interests are both local and national. On the local level, he is a board director for many business enterprises and has played a key role in urban renewal in the city. He is not very active, however, in the major civic organizations in the city.

The next persons most frequently listed received equal nominations but are vastly different men. One held the position of chairman of the board of one of the national banks and has a record of contribution
to the state university, some charitable causes in the city, and several ties which extend beyond the city. The other person is a local businessman and real estate developer whose interests do not extend beyond the city. An activist, he has a record of activity in almost every large civic and voluntary organization in the city. Something of a self-made man, he is the only person on the list who does not possess a college degree. His skills, competence and willingness to engage in activities no doubt have an effect upon the level of recognition received. Most of his recognition came from persons associated with the hospitals while the banker was more frequently nominated by persons who were not active in hospital affairs.

The eighth most frequently mentioned person is a retired executive and foundation official whose influence is related to extensive participation in civic affairs and association with the two largest foundations in the city. Many persons simply referred to him as an elder statesman and outside the circle of persons affiliated with hospitals, he received little recognition as a top community leader.

The last persons on the listing received equal recognition and are the heads of enterprises located in the downtown sector of the city. One is known as the head of an important retail store and contributor to the movement to preserve the strength of the downtown area. While active in the Chamber of Commerce, the Area Committee and a committee to improve the downtown area, he is also recognized as a supporter of the city's democratic mayor.
The last person to be described is the relatively new head of the largest insurance company in the city. He is not active in community affairs but the company has a history of much activity in the city and is largely regarded as a Democratic organization. Lower ranking members of the company participate widely in the civic affairs of the city.

As a final observation, it should be pointed out that seventy men were nominated at least once during the interviewing. Also respondents who would not name specific persons noted the role of ten business enterprises in the city (both locally and non-locally owned) which are the larger firms, and three other organizations including the Area Committee, the chamber of commerce, and the industrial association. Frequently the listing of top leaders followed the pattern of naming the leaders of the X and Y families and completing the listing by nominating leaders who were less likely to be mentioned by other respondents.

TABLE 1

NOMINATIONS OF TOP LEADERS

<table>
<thead>
<tr>
<th>Leader</th>
<th>Nominations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. X</td>
<td>51</td>
</tr>
<tr>
<td>Mr. Y</td>
<td>42</td>
</tr>
<tr>
<td>Mr. H</td>
<td>37</td>
</tr>
<tr>
<td>Bank President</td>
<td>24</td>
</tr>
<tr>
<td>Real Estate Developer</td>
<td>19</td>
</tr>
<tr>
<td>Businessman-Real Estate Developer</td>
<td>18</td>
</tr>
<tr>
<td>Board Chairman of Bank</td>
<td>18</td>
</tr>
<tr>
<td>Retired Executive and Foundation Official</td>
<td>14</td>
</tr>
<tr>
<td>President of Insurance Company</td>
<td>12</td>
</tr>
<tr>
<td>Owner of Department Store</td>
<td>12</td>
</tr>
</tbody>
</table>
IV. The Basic Structures of Influence

A. Quasi-formal Organizations

From the interviews concerning top leadership, the decision for hospital development, analysis of newspaper accounts of events, and discovery of the flood control controversy, it is evident that two organized citizen's groupings are important structures of influence in the city. One of these, the Area Committee, has been discussed earlier in regard to hospital development and bond issues for city and county improvements. The other committee, which we have called the Action Committee, was introduced in the preceding section.

While there are several coalitions in the city, these two committees exist for particular purposes and represent organized mechanisms for the exercise of power by economically influential citizens. In many ways the committees are studies in contrast which reveal the influence and power of conservative and progressive forces found in the city. The Area Committee is recognized as a kind of review board for public improvements while the Action Committee is designed to identify needs for action and produce strategies for dealing with broad scale problems affecting the economic well being of the metropolitan area. It operates very openly with published listings of members, whereas the Area Committee operates informally and does not publish a membership listing. Except for persons presenting proposed bond issues for approval, no one seems to know who is represented on the committee. The only publicity presented to the public simply bears the name of the prominent attorney,
Mr. H, who has been chairman since its reorganization in 1945. Several leading citizens said they were unable to name current members of the committee and others believed its actions to be dominated by the leader of the X family. Political figures are very much concerned with the action taken by the committee and as reported earlier, county officeholders see its approval of projects as a "must." Only the city administration shows an attitude of some independence in relation to projects for capital improvement.

Based upon a 1964 listing, it was learned that the committee had fourteen members. Actually, these persons appear to be the committee itself, but some publicity refers to them as the executive committee. Included among the fourteen members were the editors of both newspapers (including the current head of the X family), a member of the Y family, the attorney who received a large number of nominations, a labor leader with a reputation for going along with businessmen, two retired executives formerly associated with major local industries, the board chairman of one of the national banks, manager of the gas company, a lower level executive of the gas company, and four other executives who own medium sized local companies. Representatives of three of the four coalitions found in the city were members of the committee. In a sense, the committee appears to be on the verge of fading out of the picture. With the exception of the chairman, all of the original members are now deceased and most of the current members are near the retirement age.
While the committee has served as a control mechanism to limit the demands for tax funds, it also appears to have served in several positive ways. By deciding to support an issue, it is believed to be able to neutralize the opposition of organized real estate interests. Further, the committee has been able to effect some neutralization of Catholic opposition to public school bond issues by supporting the hospital bond issues and fund raising campaigns for the Catholic hospitals.

When it was organized in 1956, the Action Committee membership represented all major factions of the city. Early publications for sponsors and directors reveal that its members were drawn from all of the powerful coalitions in the city. Apparently the functioning of the committee was quite satisfactory to the major coalitions from its founding until 1964, when the flood control issue resulted in the endorsement of federal action by the committee and withdrawal of the X interests. It was suggested by some leaders that differences over the issue of urban renewal also played a part in their withdrawal but no evidence of this was found. It seems quite clear from the subsequent annual report of the organization to its sponsors that the major changes were directly related to the flood control issue. At approximately the same time the flood control issue became a public controversy, the Action Committee normally published its annual report. A copy of the annual report for that year reveals no listing of sponsors due to the changes taking place in the sponsoring membership. The next annual report carried the listing of sponsors as usual and in a letter to the membership, the president was quite candid
in observing the differences experienced in the preceding year. Without mentioning names, he observed that major changes had occurred within the community and the committee.

Following the disagreement, some activities of the committee were curtailed and other changes occurred. A new executive director was recruited and the organization moved to a new location, an office building where several of the remaining major sponsors were also located. Also, in what appears to be an unrelated move, the subcommittee for the downtown area became a separate organization closely aligned with the city administration and the chamber of commerce.

The withdrawal of the X leader and associates seems to have had little long term effect on the major operations of the committee. New sponsors have been attracted, the membership expanded, new studies sponsored and the organization appears to have the majority of the progressive more liberal minded leaders working in its behalf. Some of the recent actions sponsored by the committee include a study of governments in the metropolitan area (with proposals for greater metropolitan area cooperation being explored), a study of metropolitan area transit jointly sponsored with the city and a major local research organization, and continuing support of federal action for flood control. The 1967 sponsors exceeded sixty in number and included leaders from three of the four coalitions found in the city.
B. Coalitions

To adequately describe the coalitions it is necessary to construct a picture based upon several sources of data. As reported earlier, the existence of the coalitions was partially verified by interviews with members of three coalitions. In each case the interviews indicated perceived overlap and different areas of interest. Three of the coalitions center around the three national banks of the city and a fourth is represented by a relatively large insurance company and associated interests. We shall refer to them as coalitions, A, B, C, and D, with some identification of resources associated with each particular coalition.

The largest of the coalitions (coalition A) is dominated by the X family members. Operating from a resource base which includes major banking interests, significant segments of the press, radio and television plus the resources of other economic organizations, this coalition is in the position to exercise major influence in the affairs of the community. As strong supporters of the Republican party, important ties are held with county, state, and congressional representatives from the area. A major tie with the state government through the state governor who is a native of the city and most local representatives gives the coalition a potentially powerful political base. Through the newspaper continuous attempts are made to influence public opinion and to shape political events.

Apart from local politics the newspaper is strongly conservative in state and national politics speaking in behalf of the free private
enterprise system, the virtues of local control and against the spectre of "Communism."

In terms of local civic interests, the newspaper is used as a means for promoting downtown projects and various civic activities. Some activities in behalf of the hospitals have already been noted. One of the areas in which continuous influence is exercised is through the local united fund appeal campaign. A typical pattern seems to include a representative of the newspaper as a key figure in the campaign. Since the united fund system promotes local initiative apart from the government, it fits the ideology of this coalition and many others in the community.

Key representatives are named to the chamber of commerce, the united fund agency, and various key city and county commissions. Many actions of the coalition appear oriented toward gaining control over the governmental machinery and moving in a strongly conservative direction. Economic development is consistently promoted in the newspaper but several leaders maintained in interviews that the group strongly dislikes and attempts to control the state university which is one of the potentially strong resources for economic development. Parenthetically, it might be noted that several local leaders were interviewed in a study sponsored by a local group seeking to discover ways of attracting additional research funds for the university and the comments of local bankers and other executives were reported in a highly confidential manner rather than an open manner.
Coalition B is composed of a group of relatively liberal minded persons connected to one of the national banks and includes the leaders of the Y family, some of the utility executives, the head of a large research organization, and the general manager of one of the larger industrial organizations in the city. The political sphere of these interests cannot compare with those of the above and are believed to be confined to the local scene. Some of the members are Democrats and most (based upon interviews with key members of the coalition) support the Democratic city administration. Strong contributions have been made to the Action Committee and the dominant members of the coalition have a reputation as contributors to health, welfare, and human rights causes.

Coalition C is composed of interests which center around an insurance company in the city and includes the executives from several medium sized companies who have established a working relationship for supporting the chamber of commerce, the Action Committee, and other shared interests. Actually there is an overlap with the preceding coalition in support of the Action Committee, civil rights causes, and support for the local hospitals. Usually regarded as a Democratic coalition a number of its leaders have supported the Democratic mayor since his first years in office. Members of the C coalition are also influential in the regional planning program for the metropolitan area, the local war on poverty, the chamber of commerce and the Action Committee.

Urban renewal programs have been dominated by the leaders of this coalition and a leading member of the fourth coalition in the city. The
latter coalition centers around one of the national banks in the city and is not recognized for participating as widely in community affairs as coalitions, A, B and C. It in fact appears to be a rather loosely organized coalition, whose members appear to share a similar political ideology. Known as Republican supporters they are somewhat more moderate than the A coalition. Unlike the B and C coalitions, however, some members of this grouping are more oriented to the leadership of the A coalition. Other members, however, and especially the leader in urban renewal, are openly disliked by members of the A coalition. Its key members are strong supporters of the Action Committee and chamber of commerce, participate in the united fund campaigns and are expected to play a greater role in the affairs of the city. Also, two are members of the powerful Area Committee. The D coalition as a whole, however, does not attempt to play a leading role comparable to either of the other coalitions.

V. The Orientation of Some Leaders

One of the dimensions of local leadership frequently discussed in the literature is the "local" versus "cosmopolitan" orientation. According to the distinctions made by Merton and others who have studied these aspects of leadership, the local leader is characterized by an orientation toward the local community rather than the larger society and a greater value is placed on ties to local persons rather than to expert knowledge. The cosmopolitan values knowledge more than ties to local persons and is more oriented to the national society.
Given the nature of the study, especially the issues and size of the community, it was felt that a unique opportunity was afforded for examining the relationship between extent of influence in decision making and personal orientation. It was hypothesized that the more influential members of the planning agency board would hold a more localistic attitude. The dimensions of localism and cosmopolitanism were measured by responses to questions concerning the use of federal funds and preference for an ideal planning agency director. Responses favoring the use of funds and preference for a local person would be taken as indications of a localistic orientation.

A tabulation of responses, shown in tables 2 and 3, indicate that a majority of the board members would seek federal assistance and would prefer a professionally educated person as the agency director without concern for local or non-local background. The most influential members of the agency board, however, are more locally oriented in their preference for an ideal type agency director. From their viewpoint the ideal type director would be a person who knows the local community, who understands the relational system, and who can coordinate the actions of a professional staff with the actions of administrators of the member hospitals. A fairly clear cut bias against physicians and hospital administrators as candidates for the position is held by the influential and uninfluential alike. In exceptional cases such a candidate might be acceptable, but it became clear that persons with these backgrounds are believed to hold allegiances to special interest groups which would prevent their viewing
the community and its institutions in larger terms, especially as opposed to specialized educational background.

TABLE 2

ORIENTATIONS OF PLANNING AGENCY BOARD MEMBERS TO FEDERAL ASSISTANCE

<table>
<thead>
<tr>
<th>Orientation</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Would seek federal funds</td>
<td>20</td>
</tr>
<tr>
<td>Prefer local funds only</td>
<td>16</td>
</tr>
<tr>
<td>No data</td>
<td>5</td>
</tr>
<tr>
<td>Total respondents</td>
<td>41</td>
</tr>
</tbody>
</table>

The attitude toward federal assistance for local projects revealed a changing orientation and that the issue of federal funds had been a divisive force among local leaders. Several of the more influential began their response by saying, "I've changed my mind about that issue. After all, it is tax money and we should get our share." The recurrent theme was less opposition to this form of assistance and more to concern with "control." The key issue from their viewpoint is the extent of control which may be retained by a federal agency.
### TABLE 3

**BOARD MEMBER PREFERENCE FOR AN IDEAL TYPE PLANNING AGENCY DIRECTOR**

<table>
<thead>
<tr>
<th>Preference</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional with local or non-local background</td>
<td>22</td>
</tr>
<tr>
<td>Local persons only</td>
<td>14</td>
</tr>
<tr>
<td>No data</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total respondents</strong></td>
<td>41</td>
</tr>
</tbody>
</table>

In retrospect it appears that the local-cosmopolitan distinction has limited utility in describing the real orientation of these persons. The better designation seems to be "pragmatist." The orientation is more toward getting the job done, and if this means the use of federal funds, no ideological problem is posed. The conflict between several segments of local leadership concerning the issue appears to be largely overcome although the dominant coalition in the city has argued strongly against federal aid. This argument, however, appears to be an indirect strategy for promoting their desire for and a means of mobilizing public support against taxation for public welfare activities.
CHAPTER VII

THE FLOOD CONTROL ISSUE: SERENDIPITY IN POWER

The importance of the flood control issue to this study is that it permits more careful delineation of the power structure and is an illustration of how resources were used to promote the goals of certain interests. As a conflict issue it stands in sharp contrast to the decisions for hospital development, which reflect a relatively high degree of consensus among local leaders for community action. Also, this issue dramatically shows some of the strategies used by powerful groups in the city in attempts to impose their will in public affairs. While study of the decisions for hospital development might lead to the conclusion of a monolithic power distribution, this issue reveals the existence of opposing forces and supports the conclusion of coalitional power groupings.

The key organizational actors in the event were the two daily newspapers, the suburban newspaper chain, the Action Committee, the city administration, the City Council, and the local flood control agency. The key person in mobilizing early opposition was an assistant to the president of the leading retail store in the city and a key leader of one of the coalitions just described.

While most of the data were obtained from newspaper coverage and
annual reports of the Action Committee, the interviews concerning top leadership and the hospital decisions included an interview with the opposition leader and important members of the C and D coalitions who recognized him as the leading opponent. The flood control issue was cited by these persons as one of the examples of recurrent conflict between the X interests and other groups in the city. It was also viewed as illustrative the type of issue which the interest would more likely lose in an open confrontation. In this particular case, the opposition leader was simply described as almost single handedly killing the issue. According to these accounts the crucial act was forcing the issue into the open, with the result that additional opposition formed and when the excessively high rates of property assessment were made known, the death of the local plan was simply a question of time.

Some impression of the extent of newspaper coverage is revealed in the fact that the issue dominated all local news for more than two months after being forced into the open. In the morning newspaper, which does not publish a Sunday edition, the editor gave the events almost daily front page coverage. In seventy-one days of publication, sixty-one articles were recorded concerning the event. In the afternoon paper (X interests) for the same period, forty-five articles were observed. For three weeks just preceding the height of the public controversy the daily newspapers were not able to publish due to a strike and the weekly suburban chain tried to fill the gap. In four weekly editions of this paper, fourteen articles were published with the issue dominating all other local
news. Also, during this period, the editor of these newspapers joined the opposition forces.

In the later stages of the controversy, local citizens challenged the proposed action by registering thousands of protests, but the real drama is found in the actions of influential citizens who designed the flood control agency, the support they gave to it in the early stages of developing plans, and the bitter fight they waged before the issue was defeated by widespread public opposition.

Actually the issue involved more than flood control and a clear understanding of the dynamics of the process requires some historical perspective. As noted earlier, the city is an inland city without access to major streams or lakes as sources of water supply. Several small streams are found in the metropolitan area and with very heavy rainfall the resultant flooding can result in considerable property damage. Generally, however, the terrain is quite level and no damage of the magnitude experienced by cities on major streams can be expected even during severe flood conditions. But, here the city has a related problem of water conservation and for continued economic development, it is generally recognized that additional water supply is essential for the growing population and the needs of industry.

Flood control laws in the state provide for the creation of conservation authorities which may construct dams and carry out water conservation policies. Upon action taken by the proper levels of local government, an agency may be created to construct dams and provide
for flood control. In this case the directors of the agency are named by county judges in the affected counties.

The sequence of events concerning the controversy began with the creation of the Action Committee in 1956. The design of this committee provided for concern with problems affecting the city and metropolitan area with subcommittees being organized to expedite freeway construction, to plan for the downtown area and to investigate water and sewer conditions in the city. Its purposes were to investigate problems, determine policies and promote action in accordance with these policies. The actors and actions involved in creation of the committee are not clear, but a listing of the sponsoring and steering committees reveals the presence of prominent members of the powerful coalitions found in the city. Especially notable were members of the X and Y families, an executive with the largest insurance company, the head of a large non-profit research organization, the head of the electric company and the president of a motor freight company. A now deceased head of a local book publishing company became the chairman of the committee and some contemporary leaders who admired this man very much, say that he was a leading force in the creation of the organizations.

In 1959, the city experienced a flood which affected parts of the near downtown west side. Other areas of the city were also affected but the stream flowing near the center of the city apparently led to the greatest amount of damage. In early 1960 the Action Committee recommended that an old flood control organization by abolished and a newer one be created
to take its place and construct several new dams. A precedent for this approach existed in that the city already had a major investment in one dam and reservoir on the extreme northeastern sector of the metropolitan area. Locally built and managed, the existence of the dam provided an example of local control. On the other hand, the other local organization created to cope with the flooding conditions of streams which caused the recent damage had been unable to create a single dam after more than twenty years of existence.

County officials agreed to dissolve the older organization and in 1961 the new flood control agency was created with the support of city and county officials. County judges in the five counties accepted the responsibility for action and appointed three directors. Two directors were residents of small towns in the adjacent counties while the third director, and chairman, was a resident of the city and the former editor of a daily paper published by the X interests. His reputation in the city included recognition as an advisor to the late Mr. X and valued associate of the present members of the X organization. The other directors were undistinguished figures.

Immediately after this appointment, the directors of the agency moved quickly to appoint a staff, employ legal counsel, and retain a consulting engineering firm to prepare plans for dam construction and water conservation. The engineering firm and legal counsel employed
by the agency were located in the city and the head of the engineering firm became a member of the Action Committee's subcommittee for water management. Operations of the agency were financed by a sizeable loan from the city, which was governed at the time by a Republican mayor and City Council. Subsequent to the loan, the City Council also passed an ordinance giving the flood control agency exclusive control over water rights for the project proposed to serve as a main source of water supply for the city. Also, it was agreed that the flood control agency would retain the right to assess affected property owners for construction costs.

Following the creation of the flood control agency, work progressed rapidly in the development flood control plans including the necessary preparation for property assessment and determinations of the construction costs for the proposed dams. Meanwhile a few citizens expressed support for construction of the dams by the U. S. Army Corps of Engineers but these persons were unorganized and were unable to gain the support of the Action Committee.

In the 1963 annual report of the Action Committee, the water management subcommittee reported having worked directly during the year with the Corps of Engineers, a regional planning organization for the metropolitan area, and the new flood control agency in attempts to solve the
water problem. The close relationship between the committee and the flood control agency was reflected in a statement that the officials of the agency had attended committee meetings during the year. Also, the report complimented the city government for outstanding cooperation in behalf of its support for the flood control agency.

One event took place in 1963 which should be noted. This was the election of a Democratic mayor over the Republican incumbent. During the election, which was rather close, the X family newspapers strongly supported the incumbent Republican mayor and Republican candidates for council. The narrowness of the election was reflected in the fact that Republicans maintained majority control of the City Council with only one Democrat elected to the seven member council.

The fight which led to the withdrawal of the X interests from the area committee and a battle that raged in the newspapers for over two months began with protests against accepting the flood control agency proposals before making a comparison of costs and benefits with federally financed dams. In behind-the-scenes action three persons played key roles in leading the protest. The most prominent role was played by a member of the B coalition who was an assistant to the president of a major organization in the city. As an influential Democrat, he obtained support of the editor of the morning newspaper and an attorney associated with the Democratic party organization who began to aid him in mobilization opposition.
With support of the Y family, other members of the B coalition and key persons in the C coalition, the opposition leader was named to the twenty-seven member water management subcommittee in June, 1964. Most committee members were supporters of the local flood control plan and several were closely aligned with the X interests. Also the head of the engineering firm preparing plans for the dams was a member of the committee. Seven committee members were well known leaders in the city and included a local real estate developer as the chairman, the head of a major industry, manager of the gas company, an executive with a large research organization, editor of the morning newspaper, editor of the suburban newspapers and an attorney.

Although he was described as an initial supporter of the local plan, the editor of the morning newspaper supported the move to investigate federal support for the dams and became an opponent when it became evident that strong attempts were being made to push the local plan through. The leader of the opposition forces whom we shall call Mr. Z did not have access to major resources except through business ties with the influential Y family. His other resources consisted of informal ties to members of the C coalition, of an entree to the city administration, and the local Democratic party. The attorney with ties to the local Democratic organization was not found to have important ties to any other organization.

One of the early acts of the opposition leaders was to seek the support of the local real estate board and the league of women voters. Subsequently
both organizations joined the opposition and endorsed federal assistance for the projects.

Following Mr. Z's appointment to the committee, the next event indicated that the issue had broken into the open and opposition would begin to form. This event was a meeting of the water management committee and city officials with the district Congressman to discuss the possibilities of federal assistance. In this meeting the congressman expressed his position as favoring local control and indicated that no local groups had requested him to seek federal assistance for the projects.

The reporting of the meeting by the two newspapers is study in contrast. The morning paper simply reported the statements of the congressman's philosophy and his research that no one had asked him to seek federal assistance. The afternoon newspaper reported this research and his observations about the difficulties of obtaining federal funds. Also included in the article was an attack on Mr. Z as an outsider who had earlier attacked the congressman for not seeking federal funds. Rather than describing Mr. Z's actual occupation in the city, which would link him to prominent citizens the newspaper further chose to describe him as a businessman from another city where he did have some business interests.

Approximately one week later the Board of Realtors announced its opposition to the local flood control plan and raised the question of alternative financing. It also questioned the role of City Council in supporting the flood control agency and in a newsletter to members in the city recited the pro and con arguments which had been raised in relation
to local versus federal financing. In raising these questions, it was observed that all of the tax for building the dams would be on real estate and used the dam which the city had constructed earlier as an example of unsound management. It was also charged that private interests had been permitted to reap great benefits at public expense, and further that the city was presently faced with considerable costs for erosion damage. Indirectly the latter charge was admitted in the preliminary plans released by the flood control agency which included a project for correcting the erosion damage. The realtors also argued that federal construction would be less expensive to the city which could avoid issuing bonds if federal funds were used. Further, it was said that the local plan would rob the taxpayer in that it simply provided for easements rather than buying the land.

Again the reporting of events by the city newspapers is a study in contrast. The morning paper simply reported the criticisms of the local proposals and the questions raised in relation to federal financing. The afternoon newspaper, published by the X interests, reported the action of the board of realtors within the context of a position favoring a probe into alternative financing by the City Council. The details of the newsletter were not reported. The paper did quote the Council President as saying that the City Council had already reviewed both proposals for the dams and when a contract with the local agency was considered the entire matter would be aired. Also, the real estate board was quoted as raising some of the same issues raised by Mr. Z, the out of town businessman.
For the next three weeks the newspapers were silent due to a strike, but immediately upon resumption of publication, the controversy became banner headlines. In the interim, the weekly suburban newspaper chain gave the events full coverage. Beginning with an article questioning the amount of cost to local taxpayers it suggested that ninety percent of the cost would be borne by local property owners. In two other articles, it published a copy of the board of realtors newsletter and reported a planned public meeting of City Council and the Action Committee, with the local flood control agency and representative of the Army Corps of Engineers.

In the next edition the public meeting was said to be shaping up as the first major battle over who should build the dams. The Council President was said to leave no doubt that he would urge ratification of an agreement for water supply with the local agency and support the move to build the dams with local money. Meanwhile, the Board of Realtors and League of Women Voters had held a meeting with the Army Corps of Engineers in which the construction costs and operating policies were outlined providing the dams were constructed with federal assistance. The Army Engineers also reported the success of Republican congressmen representing adjacent areas of the states who had successfully sought federal assistance and cast doubt upon the argument that the local Republican congressman could not expect favorable reaction from the Democratic dominated Congress. It was not possible, however, for the meeting to reveal a comparison of local and federal financing since the local flood control agency would not release its preliminary cost estimates.
Several days later, a number of the city administration called a press conference to say that the Administration would not make a recommendation for either plan until the costs could be compared. An inquiry to the Corps of Engineers was answered but as yet no response was received from the local agency.

In a front page editorial two days before the public meeting, the suburban paper urged citizens to attend. It was suggested that the hearing could result in the addition of perhaps forty million dollars to the city and county tax duplicates and therefore the public should be well represented. The editor would not endorse either plan, however, and argued that both should be explored.

The public meeting was judged to be partially successful since it was not attended by a representative of the Army Corps of Engineers. Other important organizations were represented, however, including the local flood control agency, the Action Committee, the Board of Realtors, the city administration, and the City Council. A report of the cost of the local flood control plan was presented and the executive director of the Action Committee read a statement in support of the plan. These actions were countered by a director of the Board of Realtors who spoke in favor of federal assistance.

Three days later the mayor declared his opposition to the local plan and a Republican council member introduced a resolution sponsoring a move to seek federal assistance. Significantly this councilman had been attacked three weeks earlier in the afternoon newspaper as disloyal to
the party and as bearing a grudge against the council president who had
defeated him in the vote for the position.

A week later this resolution to seek federal aid was adopted over
the objections of the council president. Immediately afterward the
council president introduced another resolution which called for a city
bond issue to finance one of the dams. The stated objective of the res-
olution was to permit the city to enter into a water supply agreement with
the local flood control agency. Accordingly the agency would construct
the dam and reservoir which would become a major source of water supply.
Rather than interpreting the resolution as a meaningful move to solve the
flood control problem, however, his opponents attributed ulterior motives
to the move.

His resolution was criticized by the suburban newspaper editor who
said that a vote on the proposal would not decide anything since the
local agency could legally proceed to build the dam whether the bond issue
was approved or rejected. He also accused the council president of in-
consistency (since a vote was not sought on loans to the local agency),
and of having adopted the strategy, "if you can't beat 'em, confuse
'em," (sic).

At first the mayor declined to endorse the issue, calling it a "trap."
Later he voted to place it on the ballot. He was said to fear that public
reaction would endanger the other city bond issues but he would not
veto the measure.
In its first issue after the strike, the morning newspaper carried the news of the council president's resolution in banner headlines. The flood control job was up to the voters to decide. The cost of the local plan, however, was said to be greater than the cost to the taxpayers should the dams be federally constructed.

In the same edition the newspaper also reported an interview with the council president who defended the resolution as his own. He admitted, however, that he wondered why so many persons and civic organizations who had once favored the local agency proposal were now in favor of federal assistance or at least wanted to hear the facts of both proposals. He then proceeded to accuse the mayor of making the resolution a political issue and said that one individual, Mr. Z, was "stirring the whole issue."

As part of the article, the reporter observed that some people saw the council president as a captive of the X newspaper, which favored the local flood control plan. Implying that backers of the local plan sensed defeat, he suggested that the bond issue was proposed as a face saving device.

The next event reported was a vote by the water management committee of the Action Committee. By a margin of ten to four, the committee voted in favor of continued support for the local agency proposals in contrast to federal assistance. The result of the vote was published with the daily papers giving different accounts of the event. The X newspaper chose to report only the names of the opponents, a strong attack on Mr. Z as leader of the opposition, and a lengthy defense of the local
agency plans. The water management committee was referred to as believing that Congress would not appropriate funds for the dams in a reasonable time, that the assessments were reasonable, and that the project would be completed by 1966 with the city retaining local control. The morning newspaper chose to report the event as a vote taken after extended debate and identified supporters and proponents alike by local affiliations.

Both newspapers followed these articles with supporting editorials, the morning newspaper strongly in favor of federal financing of the dams and the X interests' newspaper strongly opposed. The latter paper emphasized the slowness and uncertainty of federal agency assistance, took a position in favor of local control and argued that the dams could be constructed quickly and efficiently by the local organization. The morning paper argued for federal construction as less costly to local citizens and as assuring recreational facilities whereas none would be assured by the local plan.

With these editorials the battle lines were drawn. It was approximately two weeks until the actual property assessments were filed and hundreds of citizens began to file exceptions to the high rates of assessment. Despite the tremendous response of citizens and several key organizations, the X newspaper maintained its support for the local agency until the decision was made to recind the assessments and dissolve the organizations. During the heated exchange which followed, the Action Committee, the Chamber of Commerce, and Republican City Council members as well as the mayor were criticized by the paper.
At the conclusion of the issue, when the Chamber of Commerce, the Action Committee, and the city administration had agreed upon plans for actively seeking federal assistance to build dams, the morning newspaper carried an editorial asking everyone to bury the hatchet and work for the good of the community. No similar editorial was presented in the X newspaper which chose instead to publish an article by the city editor which conducted a postmortem by raising the question of whether the death of the local organization was suicide, homicide, or due to natural causes.

Officials of the flood control agency were said to carry on "no public education program" while "the army engineers and their proponents were carrying out a well conceived public relations campaign." Further, when the "battle waxed hot, the groups which the (agency) directors counted on to support them remained aloof." These groups were the Chamber of Commerce and the Action Committee.

Perhaps as a footnote, it should be pointed out that the council president was opposed by the morning newspaper and defeated in his bid for re-election in the following year. Republicans also lost control of the city council with the Democrats electing three new members. Two years later, in the fall of 1967, the Democratic mayor and fellow councilmen won re-election in a "landslide" victory with the mayor winning over his Republican opponent by a margin of two to one. The X newspaper endorsed Republican candidates in each election.

It should be clear from strategies employed in the flood control issue that the local newspapers were used to advance the cause of various
interest groups. A discernable pattern in the use of the X newspaper is reluctance to discuss issues in terms of the larger public interest and a tendency to publicize events in terms of the narrower interests of their supporters.
CHAPTER VIII

SUMMARY AND CONCLUSIONS

Since the publication of Floyd Hunter's *Community Power Structure* in 1953, American sociology has experienced a major revival of interest in the topic of community power. Earlier community studies, especially the work of the Lynds and W. Loyd Warner, were concerned with community power and related issues but did not evoke much controversy and failed to start a new tradition in the study of power. It remained for Hunter's study to give rise to a continuing debate over the structure of power in American communities and the methods appropriate for the study of power, a debate which is still largely unresolved.

To a considerable degree the differences of opinion have centered around elitist versus pluralist conceptions of power and the appropriateness of the reputational approach as a scientific procedure in the study of power. Although Hunter's work was followed by a number of studies, many conceptual and methodological issues in this controversy still remain and at times the discussion of these issues has taken on decidedly

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ideological overtones rather than an attitude of scientific disinterestedness.

As evidence of this some proponents of the pluralist conception of power have attempted to discredit the notion that an American community may be characterized by a monolithic or pyramidal power distribution without exploring the social conditions which make for different types of power distribution without exploring the social conditions which make for different types of power arrangements. Likewise it appears that some proponents of the elitist conception in their zeal to reveal the existence of a monolithic power distribution have failed to explore the possible existence of coalitional power arrangements and have unduly presented conceptions of harmonious power elites.

Modern sociological conceptions of power may be traced back to Marx, who argued for an economic determinist view, and Weber, who contributed to revision of Marxist thinking by emphasizing the variables

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of class, status and power. The Marxist conception of power has supported the positional approach to power analysis while that of Weber has provided some support for the reputational approach.

A key issue raised by the researchers who have preferred the decision making approach concerns motivation for participation in community level decisions. It is clear from a number of studies that the economically powerful do not prefer to become involved in some decisions and are observers rather than participants. Thus it has been recognized that we need a typology of issues to help account for varying types of participation. Proponents of the decision making approach also argue that research should seek to weigh the relative assistants of power of participants and that we should focus upon initiating, mediating, and veto actions.

Given the tenor of the controversy surrounding the study of community power, some writers have suggested that the differences between students of this problem relate to fundamental positions assumed in scientific analysis, with preconceptions and methods employed determining the outcome. Leonard Reissman, for example, has suggested that the problem cannot be solved by maintaining ideological innocence under the disguise

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of scientific disinterest. Also, Walton's research which was cited earlier supports the thesis that method is associated with outcome and he suggests that the study of power is a problem for the sociology of knowledge.

The contrasting findings of sociologists and political scientists are especially striking. Political scientists have tended to consistently find pluralistic power structures while sociologists have more frequently found monolithic power groups. As a consequence, it is charged that political political scientists begin by assuming that at base no one is running the city while sociologists begin by asking, who's running the town.

Not all students of community power have concluded, however, that the research findings are necessarily spurious or ideologically biased. Rossi maintains that the differences discovered tend to reflect reality and he suggests a conceptual scheme whereby comparative community analysis may lead to the identification of conditions associated with different types of power structures. Rogers has also argued that certain social conditions are related to power distributions. These conditions include

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characteristics of the population, the nature of the local economy, and the structure of local government.

According to their viewpoint homogeneous populations, single industry communities and one party dominance of political institutions are associated with pyramidal power distributions. Heterogeneous populations, diversified economies, and political structures in which the minority party has the opportunity to hold office are associated with coalitional power distributions.

In this study we have attempted to delineate the structure of power in a dynamic metropolitan community and to utilize elements of the positional, reputational, and decision making approaches. Three hypotheses were tested in the analysis of participation in separate community decisions and a fourth hypothesis by the collection of interview data. Four decisions and related events were studied. These included the enactment of a state law, the decision to sponsor two hospital building programs, and the decision of local leaders to sponsor several bond issues as a package set of issues. This study also attempted to delineate the top leadership of the community and basic structures of influence based upon a combination of reputational, positional, and decision making data. Furthermore, to demonstrate some of the conflict discovered in the community, a flood control issue was analyzed using reputational data, reports of an affected organization, and content analysis of newspaper reporting of the events.
Four hypotheses concerning the power structure and local leadership were tested. In the first hypothesis, it was suggested that the power structure would be characterized by coalitions rather than forming one powerful grouping. The findings of the study tend to support the positions of Rossi and Rogers and also support the first hypothesis that the local power structure is characterized by coalitions. Rather than finding a single all powerful grouping which completely dominates the affairs of the city and the metropolitan area, we have found a series of coalitions with varying levels of influence and power. It is clear, however, that one of the coalitions has sought to dominate the affairs of the city and on a number of issues has been very successful, with the recent decisions for hospital development being a case in point. Though this grouping is larger (in terms of resources) than any of the others, it has not been able to completely dominate the affairs of the city. As the population of the city has become more heterogeneous, it has also become more Democratic thus strengthening the hand of the Democratic city administration and its supporters who frequently oppose the views of this coalition.

The absence of a completely dominant voice in community affairs is also revealed in the role played by the Action Committee and the flood control issue in which the dominant coalition could not impose its will. The developing situation seems to be one in which this coalition with its conservative outlook is more frequently pitted against the other coalitions in a classic progressive versus conservative battle with the less powerful
coalitions uniting to exert greater influence in the direction of the city. As a result of its entrenched position, however, the dominant coalition, with its control over vital financial and communications resources, may be expected to continue to play a dominant role in many community activities, and frequently being able to exercise a potential veto over community projects unless they conform to accepted ideology. Thus the first hypothesis that the structure of power is characterized by coalitions is supported by the findings of the study. From a methodological viewpoint, it is significant that the coalitions were discovered while using reputational techniques.

The second hypothesis must be rejected. In designing the study, it was hypothesized that the power structure which engaged in community level decision making for hospital development would not engage in similar level decision making for non-hospital issues. Given the findings of Freeman and others, in their studies of urban leadership, it was anticipated that a pattern of issue area specialization would be found. To some extent this was found to be true in the activities of the coalitions. For major public issues involving the need for city and county bond funds, however, we are confronted by a different set of findings.

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The discovery of the role of the Area Committee indicated that the hypothesis is false in relation to the key decisions for hospital development since this committee acts to limit and promote bond issues for all major city and county projects. For each major decision, the process follows a similar pattern with the affected public body preparing a program which is submitted to this committee for review and approval. Professional persons are used to make studies of need, to draft a program and to present recommendations. At this point the Area Committee becomes the dominant voice in deciding the size of the bond issue and to a great extent the manner in which the issue will be publicized in the local press. It should be noted, however, that members of several coalitions are active in the committee and that on occasions such as the flood control issue when the newspaper executives took opposing positions, open conflict does occur.

The third hypothesis that the leadership structure is divided into roles which are a function of positions held in the community is supported by the data. In stating this hypothesis it was also suggested that professionals play initiating and mediating roles while the economic influentials act to initiate or veto proposals. In the cases of hospital decisions and the flood control issue, the data support these ideas.

The initiating role of the economically influential is very evident in the late Mr. X's successful attempt to get the legislature to enact the law providing for a new method of financing hospital construction.
The creation of the Area Committee and the Action Committee by prominent businessmen are further illustrations of the initiating role played by economic influentials.

The existence of the Area Committee is a vivid illustration of an institutionalized veto mechanism designed to influence projects involving city and county bond issues.

Within the context of community affairs professionals are permitted to initiate some activities but they are severely restricted in making basic policy decisions. As an illustration of this the planning agency staff was permitted to initiate proposals for the chronic illness project and the branch hospital but each policy was later ratified by the businessmen on the board. It was difficult to observe a mediating leadership process in most of the issues, and to some extent it seems fair to say that conflict occurred without mediation. In the case of the hospital issues, most of the mediating actions were performed by the professional staff members but some of the recent conflict issues were still unresolved. To mediate the differences over fund allocations, some businessmen board members intervened in behalf of the hospital which they represented but this appears to be the exception rather than the rule. For larger issues in the community, there seems to be distinct absence of mediating leadership. In his capacity as head of the Area Committee, Mr. H has mediated many issues and seems to be the only top leader with a reputation for playing this role.
The fourth hypothesis which concerns local-cosmopolitan orientation seems substantially verified but the responses raise some doubts about either of these designations being descriptive of the planning agency board members. It was hypothesized that the more influential would display a more localistic orientation and this was found to be true. Those who played more influential roles in the initiation of activities were characterized by a more local outlook but the influential and uninfluential alike seem to hold a pragmatic attitude especially as measured by attitudes toward the use of federal funds for health planning.

When we examine participation in civic decision making, especially for the hospitals, the influentials discovered in deciding financial issues are local citizens with ties to the major banks, retail stores, the daily newspapers and executives with some locally owned industrial enterprises. It is especially striking that one grouping of interests possesses control over major financial resources and communication media. These are the predominant economic ties of some members of the powerful Area Committee. Significantly, the mediating role in these actions is played by an attorney, who has served as legal counsel for certain members of the Committee, and who has acquired considerable personal economic resources. The managers of large externally owned enterprises are conspicuously absent in these decisions though they are sought out for voluntary fund raising activities and have been quite active in some campaigns.

Given the findings of this study, it seems reasonable to suggest that
future studies of community power and decision making should focus upon conditions which make for consensus and conflict in community affairs. As a proposition for future research, it is suggested that the greater the consensus regarding the need for action (such as hospital development) the more likely the decision making process will be centralized and a monolithic power distribution will be found. Some of the community characteristics which would be associated with consensus include a homogeneous population (few diverse racial, religious and ethnic groupings) an economy which is not widely diversified and political institutions which hinder representation of the lower classes. Conflict in such communities would more likely occur in relation to means (or who controls) rather than conflict regarding the goals. Given a community with an increasingly heterogeneous population, the conflict process would extent to include conflict over goals and should lead to coalitional power distributions with the role of local government assuming greater importance as a mediating force for the conflict.
APPENDIXES
APPENDIX A

OCCUPATIONS OF BOARD MEMBERS OF THE COMMUNITY HOSPITALS

The Children's Hospital

Industrialist, bank director
Real Estate Developer
Vice President, State University
President, Major Insurance Company
Board Chairman, Automobile Company and Bank Director
Retired Chairman, Major Industry
*Retired General Manager, Major Industry
President, Largest Savings and Loan Association
*President and Director of Milk Company, Real Estate Developer
Board Director of Large Industry
President, Bank Holding Company
President, Local Division of Chemical Company and Bank Director
Owner of Real Estate Company
Partner, Home Insurance Company
President of Realty Company, Director of Paper Company and Bank Director
President of Local Electric Company and Bank Director
*Dean of Medical College
Board Chairman, National Bank
Industrialist and Bank Director
*Retired Executive and Foundation Official
Owner, Funeral Company
Law Firm Partner and Board Director of Several Companies
Owner of Wholesale Supply Company and Bank Director
Wife of Newspaper Publisher
Owner of Real Estate Company
*President and Director of Pharmaceutical Company and Bank Director
Part Owner and Executive of Large Department Store
Vice President and Director, Local Division of National Company
*President of Bank
Attorney and Director of Life Insurance Company
Vice President and Trust Officer of National Bank
Vice President for Research, State University
Executive Vice President of Medical Laboratory
Vice President and Trust Officer of National Bank
Occupation Unknown - 1
Members of Planning Agency Board - 6
Total Trustees - 35

*Denotes Planning Agency Board Member
The Downtown Hospital

*Attorney and President of Insurance Company
President of Local Division of Manufacturing Company and Bank Director
Vice President and Treasurer, Large Industry
Certified Public Accountant and Director of Several Companies
*Wife of Partner, Large Engineering Firm
Board Chairman of Local Industry and Bank Director
Partner, Home Insurance Company
President, Local Division, Medical Laboratory
Retired President of Large Research Organization and Owner of Consulting Firm
Director of Bank Holding Company
*President of Private University
*Rabbi
Attorney
Total Trustees - 15
Occupations Unknown - 2
Members of Planning Agency Board - 4

The Osteopathic Hospital

Attorney
Insurance Company Executive
President, Local Broadcasting Company
General Insurance Agent
*Board Chairman, Manufacturing Company and Bank Director
Osteopathic Physicians (6)
Total Trustees - 11
Board Members of Planning Agency Board - 1

*Denotes Planning Agency Board Member
The Methodist Hospital

Minister
Owner, Local Industry
Executive, Food Store Chain
Vice President, State University
Minister
Vice President Emeritis and Bank Director
*President and Director of Milk Company and Local Real Estate Developer
Minister
President and Treasurer, Freight Transportation Company
Automobile Dealer
Minister
Methodist Bishop
*Industrialist
Retired Executive
Attorney (2)
General Manager of Major Industry
Total Trustees - 19
Occupations Unknown - 2
Members of Planning Agency Board - 2

Largest Catholic Hospital

*Attorney
Owner of Large Automobile Dealership
*Retired Executive and Foundation Official
Attorney
*Monseignor and Diocesan Director of Hospitals
President of Large Department Store
Retired President of Insurance Company
President of General Contracting Company
President of Wholesale Meat Packing Company
*Attorney and Chairman of State Turnpike Commission
Physician
Board Chairman of National Bank
Board Chairman, Large Research Organization
Automobile Dealer
Total Trustees - 18
Members of Planning Agency Board - 4

* Denotes Planning Agency Board Member
Catholic Maternity Hospital
(Lay Advisory Board)

*Attorney
Wife of Bank Vice President
Vice President of Local Industry
*President of Insurance Company
Secretary-Treasurer, Pharmaceutical Company
Physicians (2)
Attorney
President and Treasurer of Automobile Dealership
President of Small Manufacturing Company
Vice President of Bank
Laboratory Director for Telephone Company
President of Insurance Agency
Vice President of Building and Real Estate Company

Occupations Unknown - 2
Total Trustees - 16
Members of Planning Agency Board - 2

Southside Hospital

*County Court Judge
City Councilman
*Vice President of Bank
Physician
Attorney
Owner of General Contracting Company
President of Small Manufacturing Company

Total Trustees - 11
Occupations Unknown - 4
Members of Planning Agency Board - 2

* Denotes Planning Agency Board Member
Medium Sized Catholic Hospital

*Board Director of Bank Holding Company
County Court Judge
Nun
*Monseignor and Diocesan Director of Hospitals
Attorneys (2)
Insurance Agency Director
President of Savings and Loan Association
Certified Public Accountant
Stock Brokerage Associate

Total Trustees - 14
Occupations Unknown - 3
Members of Planning Agency Board - 2

* Denotes Planning Agency Board Member
APPENDIX B

OCCUPATIONS OF PLANNING AGENCY BOARD MEMBERS

12 Hospital Administrators (including two physician-administrators)
5 Physicians
  Physician and Medical Director of Hospital
  Physician and Director of Private Hospital
  Physician and Director of City Health Department
  Dean of Medical School
2 Attorneys
  Attorney and Head of Turnpike Commission
  Attorney and Insurance Company Official
2 Bank Presidents
3 Bank Vice Presidents
2 Industrialists
  Head of Pharmaceutical Company
  Monsignor
  Rabbi
  State Employee (middle level management)
  Labor Leader
  President of Medium Sized Insurance Company
  Director of Blue Cross
  Retired Manager of Large Industry
  Manager of Local Industry
  Businessman—Real Estate Developer
  County Judge
  Owner of Downtown Business
  Newspaper Publisher
  President of Private University
  General Manager of Large Industry
2 Housewives
  Retired Executive and Foundation Official
  Executive, Broadcasting Company
  Vice President of Insurance Company
APPENDIX C

OCCUPATIONS OF PERSONS INTERVIEWED

I. PERSONS ASSOCIATED WITH THE PLANNING AGENCY

A. Board Members

11 Hospital Administrators (including two physician-administrators)

4 Physicians
   Physician and head of City Health Department
   Physician and Medical Director of Hospital
   Dean of Medical School

2 Attorneys
   Attorney and Insurance Company Official

2 Bank Presidents
   Bank Vice President
   Industrialist
   Head of Pharmaceutical Company
   Monseignor
   Rabbi

State Employee (middle level management)

Labor Leader

President of Medium Sized Insurance Company

Director of Blue Cross

Retired Manager of Large Industry

Manager of Local Industry

Businessman--Real Estate Developer

County Judge

Owner of Downtown Business

President of Private University

General Manager of Large Industry

Retired Executive and Foundation Official

Executive, Broadcasting Company

Vice President of Insurance Company

B. Staff Members

Director

Associate Director

Director of Medical and Professional Services

Consulting Engineer

Director of Agency Relations
II. **PERSONS NOT ASSOCIATED WITH THE PLANNING AGENCY**

- Mayor
- 2 County Commissioners
- 4 Protestant Ministers
  - President of State University
  - President of Savings and Loan Association
  - Retired Assistant Director of the Planning Agency
  - Director of Community Relations for Insurance Company
  - Vice President of Bank
  - Negro Attorney (past president of Urban League and former city employee)
  - Associate Director of State Hospital Association and Former Director of Planning for the Planning Agency
  - Director of Civic Research Organization
  - Editor of Negro Newspaper
  - Director of Regional Planning Commission
  - Associate Director of Citizens Action Organization
  - Vice President of Major Insurance Company
- 2 Attorneys
  - Presidential Assistant, Major Retail Store
  - Communications Consultant (freelance)
  - Executive Director, Chamber of Commerce
  - Former State Governor
  - Director of United Community Council
APPENDIX D

SCHEDULE FOR INTERVIEWS WITH MEMBERS OF THE
PLANNING AGENCY BOARD

I. Introduction

Prior to the interview each member of the planning agency board received a letter from the agency director requesting his participation in the study. Interview dates were arranged by phone calls, with the study being introduced as a study of the planning agency from the viewpoint of community leaders on the board. The board members were assured that all observations and comments would be confidential.

The typical introduction at the time of the interview was as follows. This is a study of the planning agency and its relationship to key leadership resources of the community. All members of the board are being contacted and I would like to talk with you especially about the building programs. Also, I would like to get some of your observations about the leadership of the community.

The study is in partial fulfillment of the requirements for a doctoral degree at The Ohio State University. Any information which you give in the interview will be confidential.
II. Identification of respondent

1. Name
2. Occupation
3. Approximate length of membership on the planning agency board

III. The second building program

One of the really unique characteristics of the planning agency is the program of fund raising and fund allocation for the member hospitals. I would like to discuss with you, from your viewpoint as a board member, both of the major building programs. Could you give me a brief account of the events including your role in the planning, fund raising and fund allocation for the hospitals? Let's begin with the most recent program.

1. First, could you tell me who initiated the activities or how the program was started?
2. How was the size of the bond issue determined? The figure for the total program?
3. How were the funds allocated to the member hospitals? What general guidelines did the board follow? Did any differences or problems emerge which had to be negotiated?

IV. The first building program

Same questions as above

V. The enabling legislation

Could you tell me how this legislation came into being? Did you play any role in supporting the measure?
VI. **Orientation to issues**

I would like to discuss with you now some issues which concern people in the hospital planning field, especially those who are trying to create similar planning organizations.

1. What is your reaction to planning organizations being supported by external assistance such as federal aid? Would you seek federal assistance or would you be opposed to the use of such funds?

2. Let's also talk about another issue. What type of person do you think would be an ideal director of a hospital planning agency?
   
   a. Ideally a local person
   
   b. An outsider professional
   
   c. An insider professional

VII. **Top leadership**

As a part of the study we would also like to identify the top leadership of the community in order to get some impression of how the planning agency is related to the leadership of the city. By top leadership we mean persons who are recognized as influential in making major decisions affecting the life of the community. They might also be described as persons whose support is vital to the success of major community projects. Could we simply list the top ten leaders from your viewpoint?
APPENDIX E

SCHEDULE FOR INTERVIEWS WITH NON-MEMBERS OF THE PLANNING AGENCY BOARD

I. Introduction

This is a study of the top leadership of the community based upon the viewpoint of a selected sample of community leaders. You were included in the sample because of your position or upon the recommendation of Mr. _____ as a person having special knowledge of the leadership situation. Another phase of the study has concerned the local hospital planning agency and some decisions for development of the community hospitals. The study is being conducted in partial fulfillment of the requirements for a doctoral degree at The Ohio State University. Any observations which you make will remain confidential.

II. Identification of respondent

Name

Occupation

III. The top leaders

I wonder if we might begin by simply making a list of the ten top leaders in the community. By top leadership we mean persons who are recognized as influential in making major decisions affecting the life of the community. They might also be described as persons whose support is vital to the success of major community projects.

While listing the most influential leaders could you also tell me something of the civic interests of these persons and the nature of the community leadership in general.
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Books


**Articles and Periodicals**


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