LOCAL FINANCIAL CRISIS AND THE DEMOCRATIC PROCESS:
A CASE STUDY OF MICHIGAN’S EMERGENCY MANAGER LAW

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By

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# TABLE OF CONTENTS

Signature Page .............................................................................................................. ii

Aknowledgements ..................................................................................................... iii

List of Tables .............................................................................................................. vi

List of Figures .......................................................................................................... vii

Abstract .................................................................................................................... viii

Introduction .............................................................................................................. 1

Conceptual Framework ............................................................................................ 4

Policy Context: Local Financial Crisis ................................................................. 4

Differing State Policy Efforts .................................................................................. 5

Michigan’s Emergency Manager Law(s) .............................................................. 6

Democratic Theory .................................................................................................. 8

Empirical Literature ................................................................................................. 12

The Present Study: A Tale of Three Cities ......................................................... 17

Methods ................................................................................................................... 26

Design ....................................................................................................................... 26

Conceptualizing the Five Criteria ......................................................................... 27

Data Collection ........................................................................................................ 33

Primary Data ............................................................................................................ 34

Secondary Data ....................................................................................................... 38

Data Collection Limitations ................................................................................ 42

Data Analysis .......................................................................................................... 44

Findings .................................................................................................................... 46

Key Issues ............................................................................................................... 48
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inclusion of all Adults</td>
<td>54</td>
</tr>
<tr>
<td>Control of the Agenda</td>
<td>59</td>
</tr>
<tr>
<td>Enlightened Understanding</td>
<td>70</td>
</tr>
<tr>
<td>Effective Participation</td>
<td>79</td>
</tr>
<tr>
<td>Voting Equality</td>
<td>97</td>
</tr>
<tr>
<td>Congruence</td>
<td>103</td>
</tr>
<tr>
<td>Discussion</td>
<td>109</td>
</tr>
<tr>
<td>Congruent Impacts</td>
<td>110</td>
</tr>
<tr>
<td>Divergent Impacts</td>
<td>112</td>
</tr>
<tr>
<td>Democracy: Ideal vs. Real</td>
<td>114</td>
</tr>
<tr>
<td>Democracy: Instrumental vs. Normative</td>
<td>116</td>
</tr>
<tr>
<td>Lessons Learned?</td>
<td>120</td>
</tr>
<tr>
<td>Conclusion</td>
<td>124</td>
</tr>
<tr>
<td>Limitations and Future Research</td>
<td>124</td>
</tr>
<tr>
<td>Contributions</td>
<td>124</td>
</tr>
<tr>
<td>References</td>
<td>127</td>
</tr>
<tr>
<td>Appendix</td>
<td>134</td>
</tr>
</tbody>
</table>
LIST OF TABLES

Table 1: City Comparison.................................................................27
Table 2: Interviewee List...............................................................35
Table 3: Interview Prompts.............................................................36
Table 4: Data Collection Timetable for Government Documents.........39
Table 5: Detroit and Pontiac Voter Turnout Data.................................82
Table 6: Unemployment and Voter Turnout Comparison......................83
Table 7: Hamtramck EM Public Meeting/Hearing Data...........................88
LIST OF FIGURES

Figure 1: Chronological Relationship of Five Criteria………………………………28
Figure 2: Five Criteria Within a Dual Membership Framework……………………30
Figure 3: Mike Duggan’s 10-Point Neighborhood Plan……………………………64
Figure 4: Delegations of Authority and Transition Protocols for Detroit…………66
ABSTRACT

LOCAL FINANCIAL CRISIS AND THE DEMOCRATIC PROCESS:
A CASE STUDY OF MICHIGAN’S EMERGENCY MANAGER LAW

By

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Master of Arts in Sociology

The nation’s turn into the 21st century has witnessed an influx of local financial crises. Several state governments have enacted legislation in response; this research investigates one such legislative course of action—Michigan’s Public Act (PA) 436 and its predecessor, PA 4, both commonly referred to as the Emergency Manager (EM) Law— and its impact on the democratic process in three affected cities: Hamtramck, Pontiac and Detroit. A detailed case study of these legislative acts and their effects revealed both convergent and divergent impacts on the local democratic process: in all three cases emergency management was found to lead to the loss of control of the agenda for both local representatives and residents, the reduction in the sharing of information by the EM, a diminishment of access to decision-makers (the respective EMs in each city), and the reduction in the relative voting power of both residents and elected leaders. Alternatively, the impact upon Detroit’s democratic process was found to a lesser extent than Hamtramck and Pontiac, especially in terms of the greater degree of inclusion, participation and control of the agenda available to Detroit elected officials (most notably, the newly elected mayor, Mike Duggan).
INTRODUCTION

For no other city in U.S. history is the saying, “the higher you climb, the farther you fall,” more applicable than to the city of Detroit, Michigan. In the first half of the 20th century, as the city became the epicenter of the U.S. auto-industry, the population of Detroit exploded, increasing from 286,000 in 1901 to 1.85 million residents in 1950 (Weber 2013). The city quickly became one of the wealthiest and most desirable cities in the U.S., offering a large number of well-paying, secure jobs—thanks, in large part, to the UAW’s organizing efforts (Bluestone 2013). Detroit and the surrounding cities seemed posed for a golden century.

As it turned out, 1950 marked the peak of Detroit’s population and economic boom. Detroit had put all its “eggs” in the auto industry basket. Competition from foreign automakers increased around the middle of the century and the U.S. auto industry began to lose its dominant position. This resulted in the closing of several auto manufacturing and service centers in and around Detroit, and the local businesses they had supported. Thus, Detroit began a slow and long fall from the top (Bluestone 2013). Over the last several decades, nearly a million residents (mostly white, wealthy or middle-class individuals and families) have fled the city, crime has significantly increased (culminating with Detroit topping Forbes’ “Most Dangerous Cities” list five years in a row, from 2008 to 2013), city services have significantly decreased (including hours long wait periods for emergency services), and as of 2013 more than 70,000 properties within the city limit have been left abandoned and/or are rapidly deteriorating (Church et al. 2013; Fisher 2013). In 2013, Detroit’s budget deficit was increasing at an estimated $1 million per day and its long-term debt (including current and retired city worker pensions) stands at a staggering $18 billion (Vlasic 2013). To make matters worse, Detroit has been plagued by local government corruption: former
Mayor Kwame Kilpatrick, who served from 2002 to 2008, was recently sentenced to 28 years in federal prison following a guilty verdict on 24 corruption-related charges, including extortion, bribery and fraud (FBI Press Release 2013).

Detroit’s financial straits reached its climax, on July 18, 2013, when it became the largest U.S. city to ever file for Chapter 9 bankruptcy. While the bankruptcy filing of such a historic and once thriving city was controversial in and of itself, it was made more so by a larger debate that was taking shape. Local elected officials had not sought to file for bankruptcy. Instead, the historic filing was spearheaded by a state appointed “emergency manager.” Under Michigan’s Local Fiscal Stability and Choice Act (Public Act 436), commonly known as the Emergency Manager (EM) Law, cities declared by the state’s governor to be in financial crisis may be placed under emergency management. This law allows the governor to appoint an emergency manager who is empowered to oversee not only the financial responsibilities of the city, but daily operations as well.

The passage of Public Act (PA) 436 in 2012 was not Michigan’s first, but, rather its fourth EM law. It was enacted after its predecessor, PA 4, was overturned in a statewide referendum. The passage of PA 4 in 2011 was marked by controversy from the start. The law extended the EM’s powers of financial oversight to include most of the powers normally invested in the city council and mayor (Holeywell 2013). In response to its passage former Flint City Council president Scott Kincaid declared, “When you take away democracy by taking away elected authority, it is a dictatorship” (Wang 2012). For their part, labor unions representing current and former city workers chided the EM’s newly extended authority to alter or cancel existing union contracts, a power not normally granted to elected officials. Yet, less than two months after voters repealed the contentious law, the Michigan State
Legislature passed a new version of the law, PA 436. The swift passage of this refashioned voter-repealed law (which includes a budget provision protecting it from future state-wide ballot initiative challenge) was roundly condemned by opponents who accused the legislature of failing to respect the voter’s rejection of the EM law, as evidenced by the recent statewide repeal. Although PA 436 continues to face legal challenges, currently (as of July 2014) there are five Michigan cities under emergency management, three cities transitioning out of emergency management, and one other under financial review (Michigan State Treasury 2014).

Criticism of the passage of PA 436 is only a small part of the controversy surrounding Michigan’s effort to deal with local financial crises, and only a smaller part, still, of the wider efforts of state governments across the country to deal with the recent financial crisis. While the specified intent of policy efforts such as PA 436 is the alleviation of immediate financial strain, their drafting and potential adoption has repercussions for the legislative process and democracy more generally. While the efficacy of local financial policies are, no doubt, a major concern for state and local leaders and the residents of cities experiencing financial crisis, their impact upon the democratic process is of equal import. Local financial crisis will not soon disappear and states will continue to seek legislative solutions, often looking to other states for policy models. Thus, exploring how these policies impact not only efforts to confront financial crises, but also the integrity of local democracy is of central concern. My research aims to investigate the democratic implications of one current policy model: Michigan’s Emergency Manager Law, PA 436.
CONCEPTUAL FRAMEWORK

Policy Context: Local Financial Crisis

While municipal bankruptcy is by no means a new phenomenon, there has been a noticeable uptick in such filings and overall municipal financial distress following the 2007-2009 recession. While many cities had been experiencing a decades-long economic slump due to the erosion of the manufacturing sector and the subsequent decline in population, recent research (Reedy 2013; Anderson 2012; Holeywell 2012; and Philo 2011) highlights how the recession has created both long-term fiscal issues and entirely new crises for many local governments. Loss of property taxes (due to home foreclosures and the decrease in property values), loss of income taxes (due to high unemployment rates and stagnant wages), loss of sales tax (due to decreased consumer spending) and loss of state and federal financial aid (due to austerity measures) have all contributed to dramatic declines in state and local revenue streams. Meanwhile, the recession has necessitated an increase in public services, the costs for which are increasingly being born at the local level as state governments have been shifting the responsibility for public service provision down to the local level in an attempt to cut their own budgets. With a slow economic recovery, these stressors are not likely to disappear in the near future. It is highly probable that over the course of the next several years (if not decades), local revenues will continue to decline while public expenditures increase, sending more municipalities into financial crisis. It is critical, therefore, that the policy courses set by state and local governments are investigated not only in terms of their efficacy in solving the fiscal problems, but also in terms of their consequences for promoting or inhibiting the democratic will of the population as they face a systemic contraction of public services.
Differing State Policy Efforts

As I noted previously, municipal financial crises are not a new phenomenon nor are state policies aimed at addressing them. These policies reflect the parameters of existing bankruptcy laws. Anderson (2012:4) describes three classes of law that inform municipalities’ efforts to address financial distress:

1. Traditional creditors' remedies, i.e., state mandamus actions to compel increased taxes for payment of debts, which can be organized and enforced through a judicial receivership; 2. municipal bankruptcy under Chapter 9 of the U.S. Bankruptcy Code, if the state permits its municipalities to so file; and 3. state municipal insolvency laws, in which the state stages an intervention in the municipality's affairs. In the third category, intervention may be ad hoc or provided for under general state municipal insolvency legislation. Such intervention is commonly called a state receivership.

In other words, severe municipal financial distress has been typically addressed through judicial receivership, municipal bankruptcy, or state receivership. State receivership policy has traditionally included a dual state appropriation strategy: the state appropriates local financial decision-making capabilities as well as local financial debts and responsibilities (either partly or entirely). Thus the municipality temporarily surrenders fiscal authority (often in the form of mandated fiscal reform) in exchange for increased financial support, either in the form of loans or bailout funds (ibid.). Additionally, Anderson describes a fourth, less common, approach: municipal dissolution, which “removes a locality’s borders and thus merges its land base and people with a larger country or township government” (ibid.: 3).

Anderson argues that Michigan’s Emergency Manager Law (as well as Rhode Island’s similar policy strategy, which was established in 1993 and revised and expanded in 2010) differs from these four traditional strategies, in that it can be characterized as a “democratic dissolution.” Unlike the other forms of state intervention, democratic dissolution results in the disintegration of local democracy combined with the absence of 1) the dissolution of a municipality as a local entity (as
is the case with traditional municipal dissolution), and 2) increased fiscal support (as is the case with traditional state receivership).

**Michigan’s Emergency Manager Law(s)**

The current policy course adopted in Michigan, Public Act (PA) 436, is the fourth incarnation of Michigan’s Emergency Manager Law. The first, PA 101, was passed by the state legislature in 1988 in response to financial crisis in the city of Ecorse (Philo 2011). The law allowed the governor to appoint an emergency financial manager (EFM) to those cities deemed by the state treasurer to be experiencing a “financial crisis.” Under PA 101, while the EFM would take control over a city’s finances, the local elected city councils were left in place to continue to handle daily operations. With each subsequent revision, however, the law was broadened. PA 72, passed in 1990, expanded the emergency manager’s oversight to include not only municipalities but school districts as well. However, it would take ten years for an EFM to be actually appointed under PA 72, when, in 2000, Hamtramck became the first city to be put under emergency management. The city was quickly followed by Highland Park in 2001 and Flint in 2002. In 2011, twenty-one years after PA 72 was passed, PA 4 became the third version of the law. PA 4 significantly extended the powers of state appointees (beyond the purely fiduciary) and changed the name of such appointees from emergency financial manager to emergency manager (EM) (ibid: 6). Under this version, an EM has the ability to (among other things), unilaterally decide pay and benefits for local elected officials, fire and hire local officials and employees, set municipal budgets, sell public assets, adjust collective bargaining agreements, and dissolve or consolidate the municipality (Michigan State Legislature 2012). Soon after its passage, PA 4 became the target of heated criticism from local officials, citizens, and labor unions who chastised the extension of EM powers ultimately leading to its
repeal by voters. Within two months, however, the state legislature passed another version of the law, PA 436, on an explicitly partisan basis: only one republican state senator was opposed to the bill, while all democratic state senators and representatives voted against it (michiganvotes.com).

Upon signing the law on December 27, 2012, Governor Rick Snyder declared, “This legislation demonstrates that we clearly heard, recognized and respected the will of the voters” (Blitchok 2012). PA 436 (as opposed to PA 4) allows the local city council and mayor to choose from four options for addressing a financial crisis: 1) enacting a consent agreement between the city and state government that outlines measures to address budget deficits and debt, 2) declaring municipal bankruptcy, 3) undertaking a neutral evaluation process carried out by an evaluator chosen by either the city council/mayor and interested parties, or the state treasurer, or 4) ceding to the appointment of an emergency manager (Michigan Legislature 2012). According to Governor Snyder, the inclusion of these options demonstrates that he and state Republicans clearly “respected the will of the voters.” However, cities that were already under emergency management when the new law took effect were not granted the ability to choose among these different courses of action. Detroit, which was the first city to have an emergency manager appointed following the repeal of PA 4, was denied the opportunity to do so because its EM, Kevyn Orr, was appointed to his position on March 25\textsuperscript{th}, while PA 436 took effect three days later on March 28th (Williams 2013).

Michigan’s EM law continues to be at the center of much debate in the state with litigation against it still pending. At face value, the appointment of an EM to replace a local representative body may appear to be undemocratic. To confirm this appearance,
however, it is first necessary to clarify the elements that constitute democratic governance.

**Democratic Theory**

When asked how to define democracy, many Americans will cite Lincoln’s Gettysburg Address, replying, democracy is a “government of the people, by the people and for the people.” While it is perhaps eloquent, this definition lacks critical features of description and explication. Often cited scholarly definitions include Diamond’s (2003:2)—“a system of government in which the people choose their leaders at regular intervals through free, fair, and competitive elections”—and Huntington’s (1991:580)—“in all democratic regimes the principal officers of government are chosen through competitive elections in which the bulk of the population can participate.” While both definitions assume representative democracy and favor its electoral dimension, they are not much more descriptive than Lincoln’s famous line.

Recognizing the limitations of many definitions (including his own) Diamond (1999) highlights Robert A. Dahl’s conception of *polyarchal* democracy (modern, mass democracy) that encompasses both electoral and nonelectoral dimensions. Dahl outlines five criteria by which the quality of a democracy can be assessed: 1) effective participation, 2) equality in voting, 3) enlightened understanding, 4) control over the agenda, and 5) inclusion of adults (1998: 37-38). Dahl describes each as such:

**Effective Participation:** before a policy is adopted by the association, all members must have equal and effective opportunities for making their views known to the other members as to what the policy should be.

**Voting Equality:** when the moment arrives at which the decision about policy will finally be made, every member much have an equal and effective opportunity to vote, and all votes must be counted as equal.
Enlightened Understanding: within reasonable limits as to time, each member must have equal and effective opportunities for learning about the relevant alternative policies and their likely consequence.

Control of the Agenda: the members must have the exclusive opportunity to decide how and, if they choose, what matters are to be placed on the agenda. Thus the democratic process required by the three preceding criteria is never closed. The policies of the association are always open to change by the members, if they so choose.

Inclusion of Adults: All, or at any rate most, adult permanent residents should have the full rights of citizens that are implied by the first four criteria.

Dahl’s discussion of his five democratic criteria starts from an examination of the relatively small association, where more direct forms of democracy take place (i.e. without representatives). As democratic bodies grow in size (Dahl suggests 10,000 as a possible cap) certain political institutions become necessary (due to the limitations of space and time) to ensure the five criteria are met. Most salient to our discussion are the institution of representation and the institution of free, fair, and frequent elections (ibid.:106). According to Dahl, representation ensures effective participation. The temporal and spatial constraints of large-scale democracies hinder the ability for individual members to voice their opinions/provide arguments for why a certain policy should be adopted. Representation counters the cumbersome effects of size by allowing members to participate through an intermediary, who, ideally, best voices their collective position and to whom they can, ideally, have access. Similarly, representation allows for members, through the intermediary, to determine what issues should be taken up for consideration (which includes, discussion, debate and, ultimately, a final vote) and thus have input into control of the agenda. Correspondingly, free, fair and frequent elections ensure voting equality insofar as all members have the ability to choose their representatives in the absence of coercion or manipulation (thus, free and fair). The frequency of elections is equally essential in
terms of ensuring the accountability of elected representatives. If representatives fail to pursue or address those issues members feel are important, members can choose a different representative during the subsequent election and thus exercise control of the agenda. If representatives were elected for terms of, say, twenty years (as Dahl asks us to imagine), the ability of members to ensure that their representative is addressing what they deem to be the most important issues would be severely limited.

These criteria and pertinent political institutions represent modern democracy in an ideal form. Dahl, himself, recognizes that no democracy to date has met all five criteria fully, and that a more democratic system can be constructed as additional criteria are considered. Nevertheless, Dahl’s conceptualization provides a more sensitive set of measures for describing and evaluating democratic bodies and processes that takes into consideration not only whether leaders are elected, but how they are elected (who is allowed to vote, how we come to decisions about who to support) as well as the degree to which effective participation extends beyond voting and into more general deliberative processes.

While Dahl’s five criteria offer a robust framework for evaluating “democraticness” of governing bodies, they fail to explicitly address one important aspect: congruence. Huber and Powell (1994:330) describe congruence as the alignment of “citizen preferences and public policies.” While the criterion control over the agenda speaks to the necessity for citizens to play an active role in determining the issues taken up in legislative debates, congruence speaks directly to the outcome of such debates. In this vein, Huber and Powell distinguish between two “visions” of liberal democracy—majority control and proportionate influence—and argue that each has the potential to achieve congruence, albeit through different paths. Under majority control, a strong, single party gains legislative control; congruence occurs as a by-
product of majority support won during an election and the threat of eviction during the next election if the party fails to carry out campaign promises. Alternatively, under proportionate influence, elections result in a diverse representative body (reflecting all voter preferences rather than majority voter preference) and policymaking is the result of bargaining between diverse representative points of view. While U.S. state and national politics follow the majority control path, local democracy, due to the absence of partisan campaigning (i.e. city council and mayoral candidates do not typically run under a party banner, but instead run on individual merits and agendas), most often reflects the proportionate influence model. Regardless of the particular version, however, it is essential that actual policy outcomes reflect the will of the voters, be it majority opinion or aggregated proportionate opinion. If policy outcomes do not reflect voter preferences, regardless of whether representatives were legitimately elected or not, then representative democracy is seriously flawed.

Furthermore, Dahl’s polyarchal democracy speaks most directly to a mass democracy situated at the national level, the features of which cannot be simply superimposed on smaller municipalities. For instance, Oliver (2012) argues that important differences exist between local governments representing populations below 100,000 residents and those over 100,000 (the assumption being that the institution of representation exists for both). Such differences include breadth of candidates that run for elected office (he argues that larger municipalities will attract a greater number of candidates due to the simple fact of a larger candidate pool), citizens’ motivations for participation (racial appeal, financial incentives, or civic duty), the type of individuals who run for office (ideological or civic-minded), and voter criteria for selection of candidates. Similarly, Dahl (1994) discusses a “democratic dilemma” prompted by increases in population, beyond the issue of representation (discussed above), that
necessitate a trade-off between system effectiveness—that is, the ability for governmental bodies to address large and complex issues—and citizen participation. The pooling of collective resources and efforts that come with an increase in population grants democratic bodies the ability to become more effective in solving the various issues they face. Dahl (1998) highlights the ability of large-scale democracies to address large-scale issues such as transportation, defense, communications, education, and human rights that small-scale democracies are less able to address, particularly due to a smaller tax base and thus a smaller budget to work with. One need only envision the army of a city-state of 20,000 up against the army of a nation-state of 1 million, to understand how larger-democracies can be more effective at addressing such issues as defense. However, as democracies grow in size, “the connections between citizens and politicians grow more remote, mediated, and formally structured,” (Oliver 2012:17) thus, citizens encounter more hurdles to participating effectively in the democratic process.

**Empirical Literature**

Reflecting conventional definitions, the limited research on the relationship between democracy and Michigan’s Emergency Manager Law highlights representation as the measure of democracy. As a result it reinforces an underdeveloped conceptualization of democracy preventing a thorough and detailed account of democratic activity under emergency management.

Philo’s (2011) study of Michigan and Rhode Island’s fiscal municipal laws concentrates on the suspension of voting rights and the laws’ ineffectiveness in addressing underlying fiscal issues. He argues that Michigan and Rhode Island’s policies violate the Equal Protection Clause of the Fourteenth Amendment to the Constitution by “condition[ing] citizen’s right to vote in local elections on the wealth”
of their communities and (p. 1). While Philo acknowledges that local elections are still held in communities placed under emergency management, he argues that the appointment of a receiver (as they are called in Rhode Island) or emergency manager removes “any meaningful authority or power from the offices for which local elections are held,” ultimately suspending representative democracy (p. 9). Thus, Philo’s main argument as to the undemocratic nature of such laws rests with the stripping of power from elected officials and the suspension of local control for the duration of a fiscal emergency. As a result, under Michigan and Rhode Island’s fiscal municipal laws, voting rights are not extended to all eligible citizens, but, instead, are withheld from those who reside in financially troubled cities. As such, Philo asserts that such policies “assume an inherent incompatibility between democratic government and the resolution of economic crisis” and may serve as a dangerous precedent for future policy; if it is assumed that democratic governance provides barriers to effectively addressing fiscal crisis, future policy may also seek to suspend democracy when crises of any sort materialize. While Philo’s judicial argument is compelling and moves beyond the purely electoral vote counting (noting that elections must also result in “meaningful” representation and allow for inclusive voting), he fails to address important nonelectoral dimensions such as citizen participation, access to representatives, availability of information, and congruence. Additionally, Philo’s analysis predated the repeal of PA 4 and the implementation of PA 436. Thus, missing is a review/description of the differences between the two and their subsequent impact on local democracy.

Similarly, Anderson (2012) focuses on the legislative and judiciary components of Michigan and Rhode Island’s laws (again, her analysis precedes the newest Michigan version), conceptualizing them as instances of democratic
dissolution (see discussion above). She argues that the policies of both states fail to “cure the underlying structural causes of fiscal crisis” or improve local management, and instead “enact a punishing cancelation of local democracy” (p. 2). Anderson’s assertion of the laws’ undemocratic nature rests on three elements: 1) the suspension of local control (by way of the appointment of a receiver or emergency manager), 2) the consolidation of authority, and 3) the “betrayal” of local democratic values. Firstly, because the receiver/emergency manager is appointed by the state (specifically, the governor), she argues that local authority is suspended, with the state assuming control over the local body. Second, the laws place local fiscal control in the hands of one individual, rather than being spread across multiple elected officials. “Recourse to the state government is available,” she asserts, “but the state is distant and its electorate is comparatively vast” (2012:12). Subsequently, this results in the sacrifice of “voter participation and deliberative democracy values, from the empowerment and educative roles of local participation to the public’s trust and respect for local government” (ibid). For Anderson, in addition to education, public trust and respect for local government, democratic values include “electoral accountability, public transparency, access to government, and fairness” (ibid.). Although her conceptualization of democracy expands beyond the typical focus on electoral representation, she fails to adequately demonstrate how these laws actually violate democratic values in practice. Because her examination is rooted in a comparison between traditional municipal bankruptcy and dissolution legislation and the new generation of such laws (represented by Michigan and Rhode Island), her analysis is largely limited to a review of legislative language and propositional conjecture. The latter is evidenced by her repeated use of phrases such as “risks,” “endangered,” “put in peril,” “makes it more likely,” and “media reports suggest.”
While her comparison of municipal financial crisis laws is revealing and instructional, it does not sufficiently describe the actual democratic outcomes in the communities affected.

Unlike Philo and Anderson, Reedy’s (2013) research includes a review of the three most recent versions of Michigan’s EM law and focuses solely on the city of Benton Harbor, MI, in an attempt to “contribute to a more nuanced understanding of what democracy looks like in the United States” (p. iv). Specifically, he looks at three different “episodes” in Benton Harbor that challenged local control: a riot, the circumstances surrounding the building of a golf course, and the appointment of an emergency manager. While his study provides an interesting detailed look at a particular city experiencing severe financial issues and racial tensions, his analysis of Michigan’s emergency manager law fails to adequately address its democratic impact. First, because he grapples with how to conceptualize democracy only in the concluding comments of his thesis, he is unable to establish a framework upon which to evaluate each democratic “episode.” Instead, he asserts that most democratic generalizations are based on broad categories and criteria used to classify countries and thus tend to “miss the finer details of any democracy,” such as the voting criteria particular to a given jurisdiction (p. 81). As a result, Anderson’s analysis of how residents of Benton Harbor experience democracy in the wake of a crisis reads much more like a historical narrative than an analysis of democratic expression at the local level. Correspondingly, his methodological approach is lacking in rigor. As he describes it, in his study, “newspapers provide a considerable portion of the analysed data” (p. 5). While media coverage of local events are important as a source of information about general topical occurrences, a thorough account of local democratic processes must involve a wider range of data sources, particularly those sources that
allow for a better understanding of residents’ and local organizations’ daily experiences and opinions. In his methodology section, Reedy cites his intention to use observational data and interviews with “people who live or work in the community,” yet does not provide further information on what he observed, who and how many individuals he interviewed, or what questions he asked during the interviews. Thus, it is impossible to ascertain what portion of his analysis was dedicated to primary data collection or the validity of the data collected. Furthermore, because his study is restricted to Benton Harbor, it does not provide an analysis of the impact of the laws beyond a particular community. In the end, while his study presents an interesting case study and reinforces the need for further researching democracy at the micro-level, it fails to adequately conceptualize democracy or sufficiently address empirically the impact of an emergency manager on the local democratic process.

Overall, previous research does provide important contributions to our understanding of democracy under emergency management; most notably, the diminishment of meaningful representation as a result of the loss of local elected official control and the consolidation of authority (from multiple local representatives to a single state appointee). However, while Anderson, Philo, and Reedy contribute to our understanding of the impact of emergency management laws, the literature contains three important gaps: 1) an inadequate conceptualization of democracy, resulting in an inability to fully address the impact of the Emergency Manager Laws on the democratic process, 2) reliance on limited data sources, and 3) an inadequate analysis of the most recent incarnation of Michigan’s EM law, Public Act 436, that precludes comparative analyses of previous efforts to manage Michigan’s fiscal crisis, specifically PA 4. While there are many similarities between Michigan’s PA 4 and PA 436, there are important differences—most importantly, the addition of “choices”
presented to local elected officials—that must be evaluated and included in an analysis.

The Present Study: A Tale of Three Cities

This study aims to account for and redress the limitations of previous research. Specifically, 1) using Dahl’s criteria for democracy, 2) addressing the concept of congruence, 3) focusing on the discursive nature of the democratic process, and 4) addressing municipal size differentials, this research provides a more thorough account of the impact of Michigan’s EM law on the democratic process in those cities directly affected by its implementation.

Hamtramck

Hamtramck is a small town almost completely bordered by Detroit (a side of the city shares a border with Highland Park). With just over 20,000 residents sharing only 2.2 square miles, Hamtramck is the most densely populated city in Michigan (Stachowski 2013). It is also home to the most racially diverse population in the state: as of 2012, 56.5% of residents identify as white (this includes a large Middle Eastern population), 19.8% identify as Asian, 18.9% identify as black, and 3.3% identify as multiracial (city-data.com). Within these broad racial categories, however, are a multitude of differing ethnic identities, evident throughout the city, including large Polish, Arab, Bangladeshi, and Yugoslavian populations.

During the late 19th and early 20th century, Hamtramck primarily existed as a small German-American farming community (hamtramck.us/about). In 1910, the Dodge brothers (the founders of the American car company Dodge, which was later bought by Chrysler) established a manufacturing plant in Hamtramck, where the first fully produced Dodge automobile was built four years later. Subsequently, the city’s population exploded: “Between 1910 and 1920 Hamtramck continued to flourish,
growing from 3,589 to 46,615” (ibid.). As the city’s website explains, “It was finally incorporated as a city in 1922, when it decided to protect itself from becoming annexed by Detroit,” its much larger neighbour.

In 1980, Chrysler closed the Hamtramck “Dodge Main” assembly plant, which had been in operation for 70 years, stripping the city of a large and steady supply of jobs. Five years later, however, General Motors opened a new factory on the border between Detroit and Hamtramck. In recent years, the two cities have engaged in a battle concerning how tax revenue from the plant is shared between the two cities: GM pays taxes directly to the city of Detroit, who is then obligated to reimburse the city of Hamtramck, which the latter argues are not always paid in full.

In 1997, The Utne Reader, a bimonthly U.S. magazine, named Hamtramck as the 12th “happiest” place to live in America and Canada, citing the city’s “pedestrian scale,” 70’s and 80’s punk subculture, Buddhist temple, and underground art and film entrepreneurs. (Walljasper and Kraker 1997). Residents, to this day, continue to boast this designation. Despite its “up and coming” status (as the magazine article had labelled it), Hamtramck continued to suffer economically.

In 2000, Hamtramck became the first Michigan city to have an EM (then called an emergency financial manager [EFM]) appointed. Then-governor John Engler chose Louis Schimmel, a retired Michigan Municipal Advisory Council member, who had previously served as a court appointed receiver to the city of Ecorse, prior to the adoption of the first version of the EM law (Bardallis 2001). Schimmel, described in one MacKinac Center article as a “privatization expert,” served as EFM of Hamtramck until 2006. Former and current Hamtramck elected officials remember few details from that period, except for a few actions taken by Schimmel: a new labor contract with the Fire Department (which one former official
described as a “sweetheart deal”), a multimillion dollar renovation of City Hall, a similarly expensive city center renovation (that included a reorganization of parking spots and landscaping), the privatization of trash services, and the cancellation of the city’s annual Labor Day festival. Critics of the fire department deal included then-city manager, Donald Crawford, who argued that the new contract [would] “cost the city $1.5 million to pay off accumulated time off racked up by fire fighters…. Crawford said he went ‘ballistic’ when he saw that Schimmel agreed to triple the amount of accumulated overtime in exchange for placing new hires on a second tier system” (Hamtramck Star, quoted in Hillary 2006). Schimmel, himself, quoted in a 2013 Oakland Press article lamented, “[Hamtramck] took forever and it wasn’t that successful because we didn’t have the ability to make the kinds of changes we now make [under PA 436] (Blitchok 2013).

Over the next several years, Hamtramck experienced several economic setbacks: the 2007-2009 recession (which negatively affected tax revenue and property values, and defunded pensions), a failed county jail pilot project, a decrease in state revenue sharing, and the closure of American Axel in 2009 which was a major source of jobs for the small town. A former Hamtramck elected official explains, “we did as much cost cutting as we possibly could, with the caveat that we wanted to maintain a certain level of city services. So we cut as far as we could but we still couldn't balance the budget.” Consequently, in 2013 the city was placed, for a second time, under emergency management, following the city council’s unanimous agreement with the state’s\(^1\) determination that the city was experiencing a financial crisis and an EM was needed to rectify the situation (a position that the mayor of Hamtramck opposed).

\(^1\) This includes both the state financial review board, the state treasurer, and the governor.
In June of 2013, Governor Rick Snyder appointed Cathy Square (who had previously worked as the city administrator in Pontiac under Schimmel) as Hamtramck’s EM. In early 2014, Square announced she would be leaving Hamtramck by the end of June with the completion of her 12-month contract with the state. During her time as Hamtramck’s EM she has consolidated multiple city positions, renegotiated the fire department contract, privatized building inspections, and auctioned off nearly 400 city owned lots (although not all have been purchased at this point). The appointment of a transition advisory board is expected to occur after her resignation, which will serve as the final authority for all financial decisions in the city, for at least an additional two-year period.

**Pontiac**

Pontiac is located at the center of Oakland County, Michigan, and is about 20 miles northwest of Detroit. As of 2011, Oakland County had the highest annual per capita personal income ($53,297) in Michigan and is frequently referred to as the richest county in Michigan (Detroit Free Press 2012). Pontiac, however, is one of the poorest municipalities in the county, with an estimated median household income (as of 2011) of $27,183, down from $31,207 a decade earlier (city-data.com). According to the city website, Pontiac was incorporated in 1861, and at the turn of the century was home to several carriage manufacturing companies.

Throughout the 20th century, Pontiac, like nearly all of southeast Michigan, was home to several thriving auto manufacturing plants. By the late 1960’s, nearly 37,000 residents of Pontiac and the surrounding areas were employed by General Motors factories operating within the city limits (Christoff 2012). Over the next several decades, however, the city experienced a dramatic decrease of GM auto jobs: starting with a major plant closing in 1988 and culminating in 2009 when GM
terminated the “Pontiac” line\(^2\) of cars completely, which had been in existence since 1929 (ibid.). Subsequently, since 1970, Pontiac’s population has dropped more than 25% from 85,279 in 1970 to 60,175 in 2012 (michigan.com; city-data.com).

A revitalization effort took place in Pontiac during the last part of the 20\(^{th}\) century, most notably with the construction of the Pontiac Silverdome in 1975, which was home to the Detroit Lions up until 2002 (Martindale 2009). By 2007, however, Pontiac’s fiscal health was quickly deteriorating. In July of that year, then-mayor Clarence Phillips, acting under the authority of Public Act (PA) 72, sent a letter to the state treasurer requesting a review of Pontiac’s finances (City of Pontiac 2009). After a financial review confirmed a serious financial situation in Pontiac, the city signed a consent agreement with the state in June of 2008, outlining a deficit reduction plan. Less than a year later, in February of 2009, “a financial review team [advised] the governor that city officials [had] failed to abide by the terms of the consent agreement” (ibid.). Subsequently, in February of 2009, then-Democratic governor, Jennifer Granholm, declared a financial emergency in Pontiac and appointed Fred Leeb as emergency financial manager, much to the dismay of the city council who had, counter to the actions of the mayor, fought against an EFM.

Leeb resigned during the summer of 2010, following a contentious battle with the new Pontiac mayor, Leon Jukowski, who had been elected only months after the start of Leeb’s appointment (Byron 2012). Governor Granholm replaced Leeb with Michael Stampfler. During Stampfler’s term, Republican Rick Snyder was elected as Michigan’s governor and signed a new version of the law (PA 4) in 2011. Soon thereafter in September of 2011, Stampfler, after only 14 months on the job, also resigned as EM amid similar contentious relationships with the mayor and city council.

\(^2\) The Pontiac GM, was, of course, named after the city where the cars were primarily manufactured.
council. Louis Schimmel (who had previously served as EFM in Ecorse and Hamtramck, under PA 72) was appointed as Pontiac’s third EM by Governor Snyder, under the authority of the newly enacted PA 4. During his tenure, PA 4 was suspended by court order, eventually repealed by state-wide vote, and was replaced by PA 436. Despite the various changes to the law, Schimmel completed his appointment in August of 2013, declaring Pontiac’s financial emergency over.

Pontiac is a very different city today then it was before the first EM, Fred Leeb, arrived in 2009. Following the nearly four years under emergency management (spanning three EFMs/EMs and three versions of the law), Pontiac has undergone a complete overhaul: the city budget has decreased from $57 million in 2008 to $30 million in 2014; city revenue, similarly, decreased from $51 million to $31 million; the city workforce has been cut from 570 to 79; the Pontiac Silverdome, once the crown jewel of the city, was sold by Leeb for just over $580,000 (in comparison, the city had paid over $50 million for it only a few decades earlier); the city’s golf course was sold; both the Department of Public Works and EMS have been privatized; the city’s fire department was merged with the Waterford regional department (and the fire department building and equipment sold); the police department was contracted out to the county; part of the water system was sold; and Pontiac retiree health care was partially eliminated (Byron 2012; Christoff 2012; Blitchock 2013).

Before Schimmel officially stepped down, he submitted one final EM order, Executive Order No. 334, a 13-page document which outlined substantial curtailments to the powers of the city’s democratically elected officials. The order instituted a 2-year obligatory budget for Pontiac, created the position of City Administrator (to which Schimmel’s former advisor, Joseph Sobota, was appointed) which he imbued with nearly all the powers given to an EM, ordered that a 2-minute time limit be
placed on public comments at city council meetings (as opposed to the normal 5-minute limit), ordered city council members not to “supervise, or give any order or direction, either publicly or privately, to any appointee or employee of the executive branch, including, but not limited to, the City Administrator,” and directed the mayor and city council to allow all pending litigation and projects to continue. Following Schimmel’s final executive order, a transition advisory board (TAB) was appointed by the governor and state treasurer (as allowed for under PA 436), on which Schimmel now sits as a board member. The TAB continues to hold final authority over all financial decisions made in Pontiac, and will continue to do so for an unspecified period of time.

**Detroit**

Detroit, by far the largest city (both in terms of geographic space and population) of the three under examination, was originally settled by French soldiers in 1701 (Detroit Historical Society). Detroit was officially incorporated as a city in 1815—Michigan, alternatively, did not formally become a U.S. state until 1837. As described in the introduction of this paper, Detroit experienced a population boom during the first half of the 20th century, increasing a staggering 646% between 1900 and 1950. This was due, in large part, to its prime riverfront location and the significant auto-manufacturing presence (evidenced by its nickname, “Motor City”).

During the middle of the 20th century, the “Big 3” auto companies began moving manufacturing production to suburban areas around Detroit (Bluestone 2013). Around the same time, the state’s highway system was created and expanded. Subsequently, white families (many utilizing WWII GI bills) made use of the highway system and followed the flow of auto employment to the suburbs of Detroit. Thus began racial and regional tensions that linger to this day. As white, wealthy and middle class residents
fled to the suburbs, Detroit began to experience a long and pronounced economic decline, the effects of which had an incontestable racial dimension.

Prompted by a significant loss in population base, thousands of deteriorating and abandoned buildings, prolonged issues with crime and a reduction in city services, local government corruption and inaction, and a projected long-term debt of $18 billion, Governor Snyder, in 2013 declared Detroit to be in a financial emergency. The announcement came just days before the new version of the EM law, PA 436, was set to take effect. Kevyn Orr, a bankruptcy lawyer, was appointed as EM. On July 18, 2013, less than three months after his appointment began, Orr and Detroit made history by becoming the largest municipality to have ever filed for bankruptcy in the United States. Since then, most of Orr’s time has been spent as mediator between city creditors (including both private financial institutions) and city employee labor organizations. Due to Detroit’s size and the historical significance of its bankruptcy filing Detroit has been the subject of much local, state and national media attention throughout Orr’s appointment. In late April, a tentative deal was reached and approved by bankruptcy judge Stephen Rhodes between the city and 14 of its largest unions (Snavely and Guillen 2014). Deals with the remainder of the city’s unions and private creditors are still unsettled. Orr’s appointment is set to expire in September of 2014; he has pledged bankruptcy proceedings to be complete by August.

It is clear that the appointment of an emergency manager has had major consequences for each of the cities examined here. However, a detailed analysis is needed in order to understand precisely how the emergency management and the installing of particular appointees have impacted the process of local governance in each city. As the country continues to experience an uneven economic recovery and austerity measures remain a favored course of action at all levels of government, it is
highly likely that more municipalities will experience financial distress. How state
governments respond to such distress is important not only for those cities directly
affected, but for all local governments. Like private industry, government officials
often follow “best practices”—both Rhode Island and Indiana have adopted laws
similar to Michigan’s Emergency Manager Law and more may follow (Anderson
2012). Thus, it is critical that this specific policy course be carefully investigated. The
methods described below are an attempt to do just that.
METHODS

Design

The following case study involves a comparative analysis of three cities that have been directly affected by the implementation of Michigan’s Emergency Manager Law: Detroit, Pontiac, and Hamtramck. In total, there have been eight Michigan cities that have been placed under emergency management: Allen Park, Benton Harbor, Detroit, Flint, Ecorse, Hamtramck, Highland Park and Pontiac. These three cities were chosen for representative purposes using a number of criteria: size, racial and socioeconomic makeup, and the current stage within the EM law framework (see table 2 for a detailed comparison). At the start of primary data collection (October 2013), Detroit was only six months into its first emergency manager appointment and in the beginning stages of bankruptcy negotiations (filed by the current emergency manager). With an estimated population of just over 700,000, Detroit is the largest city in Michigan and has a majority black population (around 82%). Hamtramck was six months into its second emergency manager appointment (the first ended in 2007, lasting nearly seven years). With a population over just over 20,000, Hamtramck is one of the state’s smallest, yet most densely populated cities. It is also predominately white, with a relatively large Asian population (21.5%). Lastly, after having been under emergency management for nearly four years (which included three different emergency managers falling under all three of the most recent incarnations of the law Pontiac is currently overseen by an Advisory Transition Board. Its population is around 60,000 and is approximately 50% white and 50% black. A detailed comparison of these three cities has allowed for analysis across differential municipal size, demographic makeup, EM phase (early/late stage of emergency management, transition board), emergency manager appointees, and versions of the EM law.
Table 1. City Comparison

<table>
<thead>
<tr>
<th>STATE</th>
<th>HAMTRAMCK</th>
<th>PONTIAC</th>
<th>DETROIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>COUNTY</td>
<td>Wayne</td>
<td>Oakland</td>
<td>Wayne</td>
</tr>
<tr>
<td>POPULATION</td>
<td>9,883,635</td>
<td>22,423</td>
<td>59,515</td>
</tr>
<tr>
<td>%BLACK</td>
<td>14.20%</td>
<td>19.3% (21.5% Asian)</td>
<td>52.10%</td>
</tr>
<tr>
<td>MEDIAN INCOME</td>
<td>$48,669</td>
<td>$24,366</td>
<td>$29,189</td>
</tr>
<tr>
<td>HOME-OWNERSHIP RATE</td>
<td>73.50%</td>
<td>52.20%</td>
<td>51%</td>
</tr>
<tr>
<td>%BELOW POVERTY LEVEL</td>
<td>15.70%</td>
<td>46.30%</td>
<td>34.00%</td>
</tr>
<tr>
<td>RETAIL SALES PER CAPITA</td>
<td>$10,855</td>
<td>$4,392</td>
<td>$5,699</td>
</tr>
<tr>
<td>PERSONS PER SQUARE MILE</td>
<td>174.8</td>
<td>10,749</td>
<td>2,980</td>
</tr>
</tbody>
</table>

* Demographics from 2010 U.S. Census, see http://quickfacts.census.gov/qfd/index.html

Conceptualizing the Five Criteria in Application to a Local Representative Body

While I have discussed Dahl’s five criteria and the pertinent political institutions that help ensure those criteria are met, I have done so without yet directly addressing how they can be practically applied, and, more specifically, their application to the municipalities to be compared here. To tackle this issue, it is first necessary to envision the criteria as they exist among direct democratic bodies. As such, Figure 1 first maps the chronological order of the criteria when considered in practical terms.
Thus, any democratic body much first decide who will be considered “members,” invested with the voting rights\(^3\). This relates directly to the criterion, *inclusion of adults*. Second, members must decide what issues need to be addressed by the democratic body (*control of the agenda*). Third, information would be generated and reviewed concerning both the issue and possible avenues to address the issue (*enlightened understanding*). As such, experts may be called upon to provide members with more detailed information regarding the issue to be considered. Fourth, deliberation would begin. Members would be given the opportunity to voice their

\(^3\) In larger modern-day democratic bodies, these rights are often enshrined in the larger constitutional framework and documents at the national level. However, both state and municipal voting procedures further dictate who is eligible to vote via voter registration and ballot casting rules and procedures.
opinions to other members concerning the issue under consideration and their preferred course of action (effective participation). Lastly, after deliberation has commenced, members would then vote on their favoured course of action (voting equality). As evidenced by Figure 1, each criterion directly relates to an individual stage of the process.

However, when time and space limitations dictate the need for the institutions of representation and free, fair, and frequent elections to ensure the vitality of each criterion, the relationship between the five criteria and their correspondence to the overall process is not as simple. In other words, when considering a local representative democracy, the members in the first instance refer to the residents-at-large who inhabit the municipality. Those members engage in the democratic process, firstly, in order to choose their representatives (in the case of the municipalities to be considered, this includes council members and a mayor). When the representatives are chosen, a new, smaller and distinctive democratic body has been formed—namely, a representative, democratic legislative body. Within this new body, “members” now refer to the council members and the mayor. Thus, to measure the “democraticness” of each city it is necessary to address each criterion within this dual membership framework (See Figure 2).

In Figure 2, the criterion Inclusion of all Adults (IofA), in terms of resident voting eligibility, speaks to the modern ideal that citizenship rights should not be limited to only select portions of the populace, but, should instead extend uniformly to all adults, regardless of race, class or gender distinctions (although many modern democracies have some restrictions on adults, such as convicted felons). Here, this

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4 This explanation provides an overview of the procedures that would take place to address a specific “issue.” The same chronology and procedure would take place in other circumstances (such as appointments, staff hiring, rule changes, ceremonial events, other logistics issues, etc.).
Figure 2. Five Criteria Within a Dual Membership Framework

**Layer 1: Selection of Representatives**

**IoFA:** Who is eligible to vote?

**EU:** What is availability of candidate information?

**EP:** What are the different ways to resolve the issue?

**VE:** Does each eligible resident have a chance to vote?

**CofA:** When is the next election?

**Layer 2: Local Legislation**

**IoFA:** Which Representatives are eligible to vote?

**CofA:** How is it decided what matters are placed on the agenda?

**EP:** What is the extent of deliberation amongst representatives?

**EU:** How much information is available between representatives and the public?

**VE:** Does each representative have a chance to vote?

The figure includes the following abbreviations: (IoFA) Inclusion of Adults; (CofA) Control of the Agenda; (EU) Enlightened Understanding; (EP) Effective Participation; (VE) Voting Equality
criterion applies to eligibility when voting for representatives as well as which elected representatives are allowed to vote on specific policy alternatives.

There are two ways in which the criterion *Control of the Agenda* (CofA) should be considered: 1) How frequent do elections occur (speaks to the issue of accountability), and 2) How, and by whom, is it decided which matters are to be placed on the formal agenda of municipal legislative bodies.

The criterion *Enlightened Understanding* (EU) addresses the availability of information regarding possible candidates and the activity (in terms of issues being added to the formal agenda, the various policy alternatives being considered, and the result of the final voting process) of elected representatives in the local legislative body. This criterion speaks directly to the issue of transparency.

*Effective Participation* must be considered in three ways: 1) To what extent are residents engaged in the selection of their representatives? 2) To what extent are residents making their policy preferences known to their elected representatives (this applies to the issue of access to those who will ultimately vote on policy alternatives)? and 3) To what extent are councilmembers and the mayor able to make their policy preferences known to other councilmembers?

The criterion *Voting Equality* (VE) considers 1) whether or not each resident has an equal and effective opportunity to vote for his or her representative and 2) whether or not each councilmember has an equal and effective opportunity to vote on the final policy decision that will be adopted.

As evidenced in Figure 2, the context of an institutional democracy, presents a different chronological ordering of the criteria relative to a direct democracy. For instance, in a direct democracy, control of the agenda would apply to the second stage of the policy making process (as portrayed in Figure 1). Likewise, control of the
agenda is the second stage in the legislative process (portrayed in Figure 2 as the second layer), when elected representatives decide which issues should be placed on the agenda. However, when residents select representatives, control of the agenda applies to the final voting process—residents only have control of the agenda insofar as they are able to vote for or against the proposed agenda of candidates, and are able to do so at regular intervals.

Similarly, we can conceive of effective participation having two different applications depending on the “layer” of representative democracy under consideration: firstly, as participation of residents in selecting their representatives, and secondly, as participation of representatives within the legislative process. Even after representatives have been selected, residents should have the ability to continue to participate in the legislative process, an ability that is conditioned by the extent of access to elected officials. This intermediary layer of participation, defined in terms of citizens’ ability to influence the policy making process, is necessary to ensure that the legislative process is continually open to participation from constituents, perhaps through public meetings and/or the ability of residents to contact representatives via phone/email.

Figure 2 also serves to illustrate a chronological relationship between the two layers of representative democracy. The selection of representatives necessarily precedes the actual legislative process as it stands to reason that representatives must be selected first, in order to then act in place of constituents during the legislative process. However, in actuality, both layers of the process may be occurring simultaneously. For example, while an election is taking place, existent representatives continue the legislative process.
The additional issue of congruence (which does not appear on the figure, but can be conceived as arising from the 2 layer process) considers whether or not the outcome of the democratic process and actual policies adopted reflect the general will of the voters, as seen from the voters’ perspective.

Within the present case study framework, particular attention will be paid to two levels of comparison: 1) An evaluation of similarities and differences in the degree of “democraticness” as measured by the above criteria across the three cities and 2) Comparison between the democratic process as it existed prior to the establishment of emergency management (i.e. under “normal” representative functioning) and as it exists/existed while the city was under emergency management (including the intermediary phase of an Advisory Transition Board, in the case of Pontiac). This multiple comparative approach will allow for a more thorough investigation of the actual impact of emergency management on democratic governance.

**Data Collection**

Several data sources relevant to each city were examined: interviews, direct and indirect observation of public meetings, review of government documents (such as EM executive orders and city council meeting minutes and agendas), news articles, and voting records (in an effort to assess the impact of the EM law on voter participation). The use of multiple data sources allowed for a more thorough analysis. Additionally, as Tellis (1997) explains, “the rationale for using multiple sources of data is the triangulation of evidence. Triangulation increases reliability of the data and the process of gathering it. In the context of data collection, triangulation serves to corroborate the data gathered from other sources.” Thus, different types of data were used both to extend the reach of data collection—for instance, news media sources...
often only cover large developments or events while interviewees may focus on
everyday experiences—as well as to better identify patterns.

Primary Data:

Primary data collection began in late October of 2013 when I traveled to Michigan for
a one-week period (visiting each of the three cities). I returned for another one-week
period during March of 2014 and again collected data in all three cities. Interviews
and observation took place during both of the two data collection periods.

*Interviews.* Semi-structured interviews were a central component of the research,
allowing for an in-depth and practical view of how emergency management has
impacted elected officials and residents within each city. Interview participants were
recruited using convenience and snowball sampling methods. Using personal and
online contacts, a few initial interviews with residents and activists were scheduled.
Several initial participants suggested additional participants who were contacted
through telephone and online resources. Several participants were also recruited using
on-site convenience methods. Additionally, all current city council members of the
three cities were contacted via email and asked to participate in the study.

Final interviewees included residents, former and current city employees and
elected officials, and community activists from Detroit, Pontiac and Hamtramck (see
*Table 2*, below, for a full list of interviewees). A total of 11 semi-structured, in-person
interviews were conducted. Interviewees were asked a series of open-ended questions
concerning their community and political involvement, ability to access information
about their local government, opinions of the Emergency Manager Law(s), opinions of
the actions taken by the EM in their city, opinions of actions taken by local elected
officials, and other related questions (see *Table 3* for full list of question prompts).
Table 2. Interviewee List

<table>
<thead>
<tr>
<th>CITY</th>
<th>ORDER #*</th>
<th>INTERVIEWEE CODE</th>
<th>ADDITIONAL INFORMATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detroit</td>
<td>1</td>
<td>Detroit Retired City Employee/Resident</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Detroit Resident and Activist</td>
<td>Works as an organizer for a Detroit union</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Detroit Activist</td>
<td>Works as an organizer for a Detroit union</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Detroit Resident and Activist (2)</td>
<td>A volunteer for a local political campaign</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Detroit Resident</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Detroit City Employee</td>
<td>Former long-term resident</td>
</tr>
<tr>
<td>Hamtramck</td>
<td>6</td>
<td>Hamtramck Resident and Activist</td>
<td>Active in the urban garden community</td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>Hamtramck Former Elected Official</td>
<td>Resident during both emergency management appointments</td>
</tr>
<tr>
<td></td>
<td>10</td>
<td>Hamtramck Elected Official</td>
<td>Elected official during the majority of both emergency management appointments</td>
</tr>
<tr>
<td></td>
<td>11</td>
<td>Hamtramck Former Elected Official</td>
<td>Elected official during first EM appointment, resident during second</td>
</tr>
<tr>
<td>Pontiac</td>
<td>7</td>
<td>Pontiac Elected Official</td>
<td>Resident during majority of emergency management appointment</td>
</tr>
</tbody>
</table>

*The Interviewee order number refers to the chronological order of interviewees. Thus, an interviewee with an Order # of 4 indicates that this was the fourth interview I conducted out of the 11 total.

Particular attention was paid to framing questions in a comparative manner. For example, when asking interviewees about the availability of relevant information while under the control of an emergency manager, they were also asked to compare this availability to the amount and type of information available when under local control of the mayor or city council. Such comparative questions allowed for a more detailed assessment of the impact of emergency management on local democracy.
<table>
<thead>
<tr>
<th>Residents</th>
<th>Activists</th>
<th>Elected Officials</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is your general opinion about the EM Law (PA 436)?</td>
<td>What is your general opinion about the EM Law (PA 436)?</td>
<td>What is your general opinion about the EM Law (PA 436)?</td>
</tr>
<tr>
<td>What is your general opinion about the passage of PA 436 after the statewide repeal of PA 4 (the former version of the law)?</td>
<td>What is your general opinion about the passage of PA 436 after the statewide repeal of PA 4 (the former version of the law)?</td>
<td>What is your general opinion about the passage of PA 436 after the statewide repeal of PA 4 (the former version of the law)?</td>
</tr>
<tr>
<td>What is your general opinion about the EM, __________, currently/formerly working in your city?</td>
<td>What is your general opinion about the EM, __________, currently/formerly working in your city?</td>
<td>What is your general opinion about the EM, __________, currently/formerly working in your city?</td>
</tr>
<tr>
<td>Explain your participation in any city council meetings</td>
<td>Explain your participation in any city council meetings</td>
<td>What has been/is your involvement with the EM in your city?</td>
</tr>
<tr>
<td>Explain your participation in any Emergency Manager Meetings</td>
<td>Explain your participation in any Emergency Manager Meetings</td>
<td>Explain your participation in any Emergency Manager Meetings</td>
</tr>
<tr>
<td>How, if at all, do you think access to city leaders changed under an EM?</td>
<td>How, if at all, do you think access to city leaders changed under an EM?</td>
<td>How, if at all, do you think access to city leaders changed under an EM?</td>
</tr>
<tr>
<td>How do you normally get information about decision your local leaders are making?</td>
<td>How do you normally get information about decision your local leaders are making?</td>
<td>How do you normally get information about decision your local leaders are making?</td>
</tr>
<tr>
<td>Did this change under an EM? If so, how?</td>
<td>Did this change under an EM? If so, how?</td>
<td>Did this change under an EM? If so, how?</td>
</tr>
<tr>
<td>Has your participation in or opinion of local elections changed following the appointment of an EM? Explain.</td>
<td>Has your organization's strategy changed following the appointment of an EM? Explain.</td>
<td>Has your organization's strategy changed following the appointment of an EM? Explain.</td>
</tr>
<tr>
<td>Do you feel that the elected off.’s decisions reflect those of most residents in your city? Explain</td>
<td>Do you feel that the elected off.’s decisions reflect those of most residents in your city? Explain</td>
<td>Do you feel that the elected off.’s decisions reflect those of most residents in your city? Explain</td>
</tr>
<tr>
<td>Do you feel that the EM's decisions reflect those of most residents in your city? Explain</td>
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<td>Do you feel that the EM's decisions reflect those of most residents in your city? Explain</td>
</tr>
<tr>
<td>(Detroit Only) What is your general opinion about your city filing for bankruptcy?</td>
<td>(Detroit Only) What is your general opinion about your city filing for bankruptcy?</td>
<td>(Detroit Only) What is your general opinion about your city filing for bankruptcy?</td>
</tr>
<tr>
<td>(Pontiac Only) What is your general opinion about the Advisory Transitional Board appointed to your city after the end of the EM's term?</td>
<td>(Pontiac Only) What is your general opinion about the Advisory Transitional Board appointed to your city after the end of the EM's term?</td>
<td>(Pontiac Only) What is your general opinion about the Advisory Transitional Board appointed to your city after the end of the EM's term?</td>
</tr>
<tr>
<td>(Hamtramck Only) Can you explain the choice to appoint an EM to your city by the city council and mayor?</td>
<td>(Hamtramck Only) Can you explain the choice to appoint an EM to your city by the city council and mayor?</td>
<td>(Hamtramck Only) Can you explain the choice to appoint an EM to your city by the city council and mayor?</td>
</tr>
<tr>
<td>Is there any other information you feel is important about your local government, EM Law, or the specific EM currently/formerly in your city?</td>
<td>Is there any other information you feel is important about your local government, EM Law, or the specific EM currently/formerly in your city?</td>
<td>Is there any other information you feel is important about your local government, EM Law, or the specific EM currently/formerly in your city?</td>
</tr>
</tbody>
</table>
In-person interviews took place in both interviewee homes and public spaces (it was left to the discretion of the participant to choose a location). Two interviews (conducted with participant #10, Hamtramck current elected official, and participant #11, Hamtramck former elected official) were conducted concurrently, at the request of the participants.

Participant codes were generated based on city and type of participant; for example, Pontiac elected official, Detroit resident, and Hamtramck resident/activist. No interviewee requested to have his or her real name used in the study. Therefore, all interviewees are referred to by their participant code. Two participants are coded as Detroit Resident and Activist and two participants are coded as Former Hamtramck Elected Official, thus each will be indicated with a (1) or a (2) in order to preserve their individual statements and mitigate confusion.

**Observation.** Direct observation took place at two locations. The first was a public campaign event held by then-mayoral candidate Mike Duggan (who ultimately won the Detroit mayoral election) on November 1st, 2013. The second took place at a formal Pontiac city council meeting on March 20th, 2014, where Joseph Sobota, the current acting city manager (whose position was created through the EM Order No. 334, the final order, by the emergency manager) made a special presentation at the request of the mayor. The intent was to observe city leader interactions and communication as well as resident involvement in/feedback of the process. Indirect observation took place through the use of online public meeting videos. For instance, the city of Pontiac makes all city council meetings available for viewing on “PontiacTV,” their online city video service (see http://www.pontiac.mi.us/council/pontiactv/index.php). Online video services were utilized where available and in cases when additional detail was needed (in addition to
formal meeting minutes and agendas, if available). Specifically, I reviewed 8 online Pontiac City Council meetings occurring between August of 2013 and February of 2014, and 16 online Detroit City Council meetings occurring between January of 2013 and May of 2013. Because of the availability of Pontiac City Council meeting minutes (as opposed to the lack of availability of Detroit City Council meeting minutes) I reviewed only half the number of online meetings for Pontiac as I did for Detroit. I do not understand this (previous) sentence. Are you talking about meetings, minutes, both? Reviewing minutes should be discussed separately from viewing council meetings Rephrase Online services were not available for Hamtramck City Council meetings. But did you did review minutes for Ham– see your statement below

Secondary Data

Voting Records. Voter turnout rates were collected using both county clerk and city clerk online databases. The most recent voter turnout data was collected directly (in-person) from the Detroit city clerk’s office. The primary purpose of voter turnout data collection was to assess the impact of emergency management on voting participation, though other forms of data (such as interviews and news stories) were used as well. Voter turnout data was collected for the years 2009 to 2013 for Detroit and 2004 to 2013 for Pontiac. Voter turnout data for Hamtramck was only available for the year 2013 (the most recent election cycle). It was my intention to collect voter turnout data for longer, and more consistent periods of time; however, due to the availability of data, I was only able to collect a limited and inconsistent number of years for each city.

Government Documents. Government documents were collected in order to assess specific policy outcomes in each city as well as general information regarding the operation of the city under emergency management. The following government
### Table 4. Data Collection Timetable for Government Documents

<table>
<thead>
<tr>
<th>Event Description</th>
<th>DETROIT</th>
<th>HAMTRAMCK</th>
<th>PONTIAC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Event</td>
<td>Collect Data</td>
<td>Collect Data</td>
<td>Collect Data</td>
</tr>
<tr>
<td>Oct-12</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nov-12</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec-12</td>
<td>Financial Reviews</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jan-13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feb-13</td>
<td>Crisis Determination</td>
<td>Prelim Review</td>
<td></td>
</tr>
<tr>
<td>Mar-13</td>
<td>Em Announce/Start</td>
<td>Prelim Determination</td>
<td></td>
</tr>
<tr>
<td>Apr-13</td>
<td></td>
<td>Review Announced</td>
<td></td>
</tr>
<tr>
<td>May-13</td>
<td></td>
<td>Crisis Determined</td>
<td></td>
</tr>
<tr>
<td>Jun-13</td>
<td></td>
<td>Governor Determin.</td>
<td></td>
</tr>
<tr>
<td>Jul-13</td>
<td>Bankruptcy Filing</td>
<td>EM Starts- 1st</td>
<td>EM Leaves/TAB Starts</td>
</tr>
<tr>
<td>Aug-13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sep-13</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Oct-13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nov-13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec-13</td>
<td>Eligibility Trial Starts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jan-14</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feb-14</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mar-14</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apr-14</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CC Meetings**
- Every Tuesday
- Every Other Tuesday
- Every Thursday

**Total Meetings**
- 16
- 20
- 20

**Sample**
- 16
- all
- 20
- all
- 20
- all

**Executive Orders**
- 21
- 8
- 334

**Sample**
- 21
- all
- 8
- all
- 24

Every 14th, or as needed
documents were collected: EM reports (initial budget reports to the state as well as required quarterly financial reports), EM executive orders, city council meeting minutes, the Local Fiscal Stability and Choice Act (the current version of the EM Law), advisory transition board reports, and EM public meeting minutes (where applicable), and state and federal lawsuit documents. Table 4 provides a list of EM executive order and city council meeting minutes collected, based on the timetable of pertinent EM events and availability of data for each city (such as initial review of the city’s financials, the starting date of each EM/the end of an EM appointment, and, in the case of Pontiac, the start date of the advisory transition board). In order to provide a comparison between the operation of each city before and during emergency management, where available, government documents were collected for at least a two-month period prior to the beginning of emergency management (or in the case of Pontiac, the last two months of emergency management, and several months into the TAB’s appointment). For Pontiac and Hamtramck city council meetings, meeting minutes were collected. As indicated in Table 4, a total of 20 city council meeting minutes were collected for Hamtramck between December 2012 and September 2013, while 20 were collected for Pontiac between June 2013 and October 2013. Alternatively, because Detroit council minutes are not available online, 16 council meeting videos were used for Detroit (as described above). In terms of EM executive orders, 21 out of a possible 21 were collected for Detroit, 24 out of a total of 334 why 24 were collected for Pontiac, and all 8 possible were collected for Hamtramck. After

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5 As of July 2014, Detroit EM Kevyn Orr has produced 30 executive orders. However, at the time of data collection, there were only 21.

6 Due to the large number of executive orders in Pontiac (as compared to the other two cities) I decided to randomly select a sample by selecting every 14th EM order (to produce a total sample number close to that of Detroit).
the initial data collection period, I continued to review both city council meeting minutes, council videos and EM executive orders where available.

*Media Reports.* I collected news articles using two main methods. First, at least once per week (beginning in October of 2013), I used the city name or name of the EM currently appointed in each city as keywords in a Google news search to comb for relevant articles concerning major events in each city (such as union strikes, financial deals, election coverage, etc.) or specific articles pertaining to emergency management both in the cities under investigation and in Michigan-at-large. Secondly, news articles were collected in order to provide factual information regarding an event that was discovered through other data collection methods such as interviews. Whenever possible, I searched both local, state and national news sources for reference to the event. Thus, news stories regarding specific events were used to flesh out details and context, and to provide additional data regarding the referenced event. If available, at least two separate news sources were used in these circumstances in order to avoid gaps in information and mitigate possible biases in reporting. In circumstances where interviewees provided differing accounts of events than media sources, both accounts are presented. While this may reduce the consistency of final findings, using multiple sources yields more robust results by including multiple perspectives.

In total, I reviewed nearly 200 news articles (about 50% concerning Detroit, 20% each concerning Pontiac and Hamtramck, and roughly 10% concerning emergency management generally, often comparing different cities) from the following news sources: Bloomberg News, Deadline Detroit, Detroit CBS Local, Detroit Free Press, Detroit News, Forbes, Fox News, the Hamtramck Review, the Hamtramck Star, Huffington Post, Macomb Daily, The Michigan Citizen, Mlive, the
New York Times, the Oakland Press, the Pontiac News, Southbend Tribune, the Washington Post, and the Week. Specific numbers are difficult to ascertain as news articles were reviewed on an ongoing basis.

Data Collection Limitations

While I have attempted to address limitations in previous research by including multiple data sources, there are a number of limitations concerning the data I was able to gather. Firstly, and possibly most notably, interview data is severely limited by both the number and consistency across cities and interviewee categories. It was my hope to collect between 16 and 24 (allowing for somewhere between 5 and 8 per city). However, I found it difficult to pre-recruit participants from across the country (in cities where I had little to no personal contacts) and recruitment techniques such as cold-calling/emailing, networking, and follow-up snowballing proved to be less effective than I had anticipated. While the quality of interviews I was able to conduct, I believe, in many ways supplements the low quantity, the consistency across each city remains an issue. In Detroit, I was unable to secure interviews with current or former elected officials: I received responses from two potential participants, but due to scheduling conflicts, was not able to complete the interviews. In Pontiac, I was unable to secure interviews with current residents or activists: I had in-person conversations with several residents and received email responses from two additional elected officials who indicated interest in participation, but, again, was unable to schedule actual interviews.

Similarly, voter turnout data was severely restricted due to the availability of convenient voter statistics: only one year of data was available for Hamtramck, four years for Detroit and nine years for Pontiac. Thus, it was difficult to detect patterns across cases (as well as between, in the case of Hamtramck).
Despite the limitations described above, there was a near consistent amount of total data collected for each city. For example, while only one interview was conducted in Pontiac, there was additional data collected in a number of areas (relative to the other two cities): 1) city council data was collected by way of both city council meeting minutes and online full-meeting videos, 2) Pontiac was the only city where I was able to conduct an in-person observation of a city council meeting (which allowed for better identification of resident comments and perspectives during such meetings), 3) Due to the length of time Pontiac was under emergency management and the notoriety/controversial nature of Lou Schimmel (Pontiac’s third EM) there was far more available news analysis of Pontiac’s experience under emergency management as well as first-hand accounts from Lou Schimmel concerning his strategies as EM and justifications for decisions, and 4) Pontiac, being the only city currently under the auspice of a Transition Advisory Board (TAB) made additional data sources available, including TAB rules and regulations documents and meeting minutes. Similarly, although voter turnout data was limited for Hamtramck, three of the four interviews conducted were with individuals either formerly or currently directly involved in city politics and elections. Such individuals have increased knowledge (relative to average residents) of voter turnout habits and patterns, and, thus, were able to help fill gaps in voter turnout data.

Additionally, it should be noted that many of the interviewees represent multiple perspectives as it concerns their specific categorization. For instance, while all elected officials are concurrently both city representatives and residents, all elected officials (both former and current) interviewed were strictly residents at some point during their city’s tenure under emergency management. Thus, at certain points in time, they were largely detached from the local political environment and experienced
emergency management from the resident (everyday) perspective. Certainly, it is to be expected that their involvement in local politics and governing alters their perspective even during times when they are not directly involved. Nevertheless, this should not negate the fact that each individual represents multiple (and thus, unique) perspectives that cannot perfectly be situated within one category. While this understanding does not completely mitigate the issue of limited interview data, it does highlight the importance of noting that many interviewees can provide perspectives and experiences relevant to more than one simplified categorical distinction.

Thus, while there are important consistency issues concerning the various types of data collected across each city, the overall amount of data collected for each city, along with the different types of data used helps to ensure the validity of overall patterns detected.

**Data Analysis**

This research employs three data analysis strategies 1) reliance on theoretical propositions, 2) the iterative process and 3) triangulation. As Yin (2013:128) explains, “proposition[s] help to focus attention on certain data and to ignore other data.” Dahl’s conceptualization of democracy along with the concept of congruence provides the theoretical propositions that frame both data collection and analysis. Thus, much of the data coding process involved a deductive coding procedure. However, it was important that the data analysis process leave open the possibility for alternative or additional patterns to emerge. For instance, when certain themes were present in multiple interviews, they were added to the already existing theoretical themes (i.e. Dahl’s criteria and the issue of policy congruence). The *iterative* process (which encompasses both data analysis and collection) helped to ensure this. By continually moving between data collection, preliminary data presentation, and data
coding, the likelihood of recognizing significant patterns directly attributable to the Emergency Manager Law was increased. The iterative process also allows for the uncovering of unanticipated outcomes and patterns (thus, incorporating both a deductive and inductive data analysis technique). Triangulation was employed to connect the multiple data sources and to find emerging patterns. This is closely tied to the iterative process; as data was collected from interviews, observations, news sources, government documents and voting records, coding began almost immediately, allowing patterns to begin to form both within and across the various types of data.

Quantitative data (voter turnout rates) was analysed in a straightforward manner. Availability of voter turnout data was limited. Therefore, voter data was inconsistent between cities (an equal number of election cycles for each city was not available for analysis). Voter data was analysed for the following years: 2009 to 2013 for Detroit, 2004 to 2013 for Pontiac. Multi-year data was not available for Hamtramck. Although it would be more advantageous to analyse voter turnout data for a consistent time period across all cases, the available data, nevertheless, adds a level of detail to the discussion of voter participation. Mitigating factors (such as quality of candidates) were not controlled for, however, resulting in only the ability to detect general trends and not statistically significant changes. Nonetheless, this data was combined with the full range of data collected, and results were analysed as part of the more encompassing iterative process and triangulation method described above.
FINDINGS

This section is organized using two main methods. First, the general democratic criteria (Dahl’s five criteria and the issue of congruence) are presented as the main themes identified throughout the research. While I intentionally left open the possibility to identify additional themes, the design framework proved exceptionally sufficient in terms of accounting for patterns found both within and between different data sources. As such, each criterion is presented in the chronological order described in the conceptualization section, allowing for a more logical and fluid narrative. Secondly, within each main theme (i.e., democratic criterion), I discuss the relevant data as it applies to the dual membership framework in order to allow for greater specificity: layer 1 describing the selection of representatives, layer 2 describing the local legislative process, and an intermediary layer highlighting the importance of residents’ continued participation within and connection to the legislative process. Because democracy is a multi-stage, continuous process, any attempt to explain impacts to this process must recognize that uniformity of effects is unlikely; as seen with the emergency manager law, the most severe effects often occur at the legislative level (such as the stripping of authority from local elected leaders), which in turn indirectly impacts residents’ ability to effectively participate. By separating out the layers, I was better able to detect specific impacts, as opposed to general trends or patterns.

While the findings are not specifically organized around the three cities under investigation, for each “layer” and in concluding remarks for each section, I discuss the comparative nature of the impacts identified. Thus, I also identify and discuss repercussions at the local level stemming from emergency management in a cross-case comparative format. Overall, then, the findings section discusses main themes,
specific impacts within the dual membership framework, and case comparisons across each level. While this multi-levelled approach may produce a somewhat intricate and dense narrative, it allows for far greater detail and accuracy, especially when dealing with such a complicated matter as emergency management.

Through this detailed investigation, several similarities between the three cities and multiple versions of the law were identified. Most notably, the exclusion of local elected officials from substantive decision-making, the loss of control over the agenda at both the resident and representative levels (and the replacement of an agenda that prioritizes budget-balancing considerations), a reduction in transparency and the sharing of information by the EM, and a reduction in voting power at both the resident and representative level. Additionally, a diminishment of participatory capability was found in terms of resident apathy, citizen access to decision-makers, and elected officials’ ability to engage in substantive governing. Alternatively, as I demonstrate below, emergency management was not found to have an obvious effect of voter participation and may, at times, increase community activism.

On the other hand, the actual application of the law within the three cities often results in different degrees of practical impact. Most striking is the variance identified between Detroit and the other two cases. While practical impacts were found within each case (such as a loss of control over the agenda, a diminishment of voting equality, etc.), the effects in Detroit were limited relative to the other cities. Specifically, Detroit representatives (especially in terms of Detroit’s new Mayor, Mike Duggan) have experienced a higher level of inclusion and control of the agenda, resulting in a larger degree of voting power for residents. This is not to say that Detroit’s democratic process has remained largely intact, far from it. All three cities have, as described above, been impacted; however, the particular EM appointed to
each city and the specific historical and demographic context of each city lends to varied experiences and effects.

Generally, however, emergency management was found to negatively impact the local democratic process in each case. The following discussion specifies the particular impacts for each democratic indicator, at multiple levels within the process, and across and within the three cities analysed. I begin by presenting the general viewpoint and experiences of interviewees in order to frame the forthcoming analysis and situate the debate within an everyday perspective. Additionally, how individuals experience emergency management may largely be structured according to their general opinions of the policy and the ideological framework it represents.

**Key Issues**

The main intent of this study is to assess the impact of the EM law on the local democratic process, keeping in mind the perspectives of residents in terms of how local governing affects the municipal services they depend on and their more general attitudes concerning policy decisions. As such, each interviewee was asked about their general opinion of the EM law. Responses ranged among participants but, overall, they encompassed two general themes: 1) A general opinion that the EM law is on some level “undemocratic” and 2) The belief that the law, in some way, was necessary to address emergency financial situations. As one former Hamtramck elected official (1) explained,

… I can understand why there is such a law because there can be certain situations where a town has gotten into trouble financially, or the local politicians have made a mess of things for one reason or another and that the state should have a right to come in and try to straighten things out, get things back on track, balance the budget, hold people accountable. And in a friendly way, assist…. Unfortunately, I don't think that has really been the case, locally. Now there was an emergency manager law in place…there were changes made a couple of years ago, which I believe strengthened the state's position and didn't do a whole lot for the local governments who are or were in need of some emergency assistance.
Similarly, a Detroit resident explained his view of the law thusly:

It is an erosion of democracy, if you look at it from a political standpoint. Technically it is anti-democratic because I had no say, as a resident of Detroit, in electing Kevyn Orr, who for all intents and purposes, is our leader right now. That being said, I'm not sure... that all government functions as democracies, [especially] if the constituents don't step up to try to have a voice... The EFM, I think, is kind of a consequence of our flawed city council system. It came to a breaking point. Something had to give... So I understand how fundamentally [the law] is undemocratic, but I don’t necessarily think it is a problem.

As evidenced, the above statements further reflect a tension between these two themes: that while the EM law(s) may be undemocratic at some level, emergency situations (either financial or political) may call for such a law. This tension also highlights a central part of the debate surrounding Michigan’s EM Law, and the more general debate concerning which feature of local government should be preeminent: the ability to solve problems/deliver services (its efficacy) or the ability to adequately represent and respond to values of residents (its more “democratic” qualities). Thus, if services and general government functioning fall below a certain level of what is perceived as adequate, democratic considerations become less important. Explaining the role of local government and its recent failings, one Hamtramck resident and activist said, “As far as the responsibility of local government, it keeps things running, keeps things clean, pays the cops and the fire fighters...[Before the first emergency manager], that was an interesting time for the city. Garbage was not getting picked up. It was pretty hard times.” Similarly, as a former Hamtramck elected official(2) explained,

When you are not involved, and you are just living here, your point of contact with government is minimal. You know, you pay your water bill, make sure garbage gets picked up on time, if you call the fire/police department do they show up? Potholes... it is minimal. And as long as you provide those minimal services, you don’t get any discussion. You don’t get the pitchfork.
In addition, Dave Bing, who was mayor at the time of Kevyn Orr’s appointment in 2013, reflecting on the deteriorating conditions of Detroit and its services, said of Detroit residents, “I don’t think that they care at this point who the mayor is or who the City Council is. They want things fixed” (Davey 2013).

Subsequently, while interviewees argued that the appointment of an emergency manager had repercussions on the democratic process, many said there had been little impact to the everyday lives of residents. As the same Detroit resident quoted above expressed,

I have never met anyone who feels that on a day-to-day basis their life has changed any because of the EFM. We are so removed from that level of government…[The EM, Kevyn Orr], hasn’t done anything that has been controversial to me, on a day to day basis…It hasn’t affected my life, or my employer or my friends that own businesses. I mean, what’s the big deal really. Maybe that is a bad attitude to have, but that is the reality of it.

Thus, in terms of residents’ relationship to the democratic process while under an emergency manager or otherwise (such as during normally functioning periods), their overall level of participation is limited. It may not be surprising then, that for many residents, the democratic process is only visible or pertinent to their everyday lives when the city fails to meet adequate levels of services. Under normal circumstances, residents may not have any contact with their elected leaders except during election periods. When I later discuss the issue of effective participation it will be necessary to consider this limited level of contact.

Relatedly, when asked whether emergency management had an impact on the everyday operations of her union, one Detroit activist and resident explained,

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7 For instance, many noted a sense of “devaluation” when it came to their right to representation or a sense of lack of transparency and accountability on the part of the EM. Thus, interviewees were able to separate out palpable consequences to their lives (diminished services, for example) from more procedural effects (loss of transparency, voting power, etc.).
I think that within the day-to-day operation, probably not because we are a private sector union…but in the larger picture [of our operation] within the city, then yes, it would impact it. [In terms of having a daily impact], not personally for the work that I do here at the local, but I think that for my personal life, the general sort of anger I guess about living in a city that isn't democratically run at the moment, yes.

She further explained that emergency management in Detroit has, however, impacted the political program of the union, especially in terms of its ability to set a course of action within a climate of uncertainty.\(^8\) Thus, for these interviewees, emergency management had not had any notable practical effects on their day-to-day lives, as much of the governing executed by our local leaders is not clearly evident or visible. However, as the Detroit activist suggests (and which will be discussed below), the effect of emergency management on residents may be primarily of an attitudinal or long-term nature—in other words, an impact on their overall feelings towards government and the long-term repercussions resulting from decisions made during the EM’s tenure.

In addition to the issues discussed above, one main topic that came up repeatedly in interviews and other sources of data is the issue of race. While the design of my study did not specifically address this concern, it was brought up by almost every interviewee and is crucial to understanding the lens through which many residents, activists, and elected officials view emergency management policy, given the racial history of Detroit and the metropolitan area that surrounds it. As discussed briefly in the introductory section on Detroit, beginning in the second half of the 20\(^{th}\) century, the Detroit metro-area saw the resegregation of its neighborhoods: white, middle-class families began to flee the city, following auto manufacturing companies

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\(^8\) With bankruptcy and public sector union contracts up in the air in Detroit, planning a five-year or ten-year impact plan (projecting how many individuals/businesses will be organized by specified dates) is difficult for any union, private or public.
which were beginning to relocate to the suburbs. As one life-long Detroit Resident and Retired City Employee explained,

In 1953, almost everyone packed up their bags and moved to the suburbs… White flight. It happened in Boston, it happened in New York, it happened in Chicago, it happened everywhere. But in Detroit it was particularly severe because we had the freeways. [Fleeing residents] had an easy way. So in 1954, all of a sudden, Detroit schools became half black. In 1955 they became two-thirds black. In 1957, they were almost totally black. All the white kids had moved to the suburbs. So race played a big part in this whole story.

Similarly, one Detroit Resident explained this particular racial history and its current consequences, saying,

Detroit has a lot of really divided and complicated history: a particular tension, a really interesting divide between the city and the suburbs, always in conflict. And you know, I was just listening to the radio today about the struggles of the regional transit authority. You know we are trying to fix mass transit in Detroit. There is a suburb, a very wealthy all-white suburb that refuses to participate because they don’t want buses coming into their streets. And that stuff has been going on for two generations now.

Thus, for the Detroit Metro area, racial tensions continue to impact policy debates. The debate surrounding emergency management is no different, particularly considering that the vast majority of cities directly impacted by the EM law are majority black cities. With the EM appointment of Kevyn Orr to Detroit in 2013, nearly half of all of Michigan’s black residents, at the time, were living in cities under the appointment of an emergency manager (Thorne 2013). News stories, echoing many residents, activists and local leaders, speculated as to why it seemed black cities were being targeted. As one Detroit Resident wondered,

But I also think [emergency management] is interesting on a broader perspective considering the racial implications, where it seems that the more majority black cities are the ones who are getting EFMs, you know from a sociology standpoint, you start to asking, ‘Why is that? Why are all the black cities in Michigan getting assigned an EFM by a white governor, you know? ‘ … There is something fishy about that. I mean if there isn’t, the perception can sometimes be the reality.
Similarly, a Detroit City Employee and former resident explained further, saying,

The dominant framework to the degree there has been resistance [to the EM] here, is like [arguing] that because of the racial dynamics here, it is a reinstitution of Jim Crow… that this is an attempt to disenfranchise black people. Given the racial history of this country, from a lot of people that is a real legitimate interpretation… because it resonates with everyday people being suspicious for racial reasons…

Although he would argue that he personally did not ascribe to this perspective (that the EM policy was an intentional attempt to disenfranchise black Michigan residents), he nonetheless contended that because of the U.S.’s racial history, and the specific racial history between the city and suburbs in Detroit, for many people, racial implications are central to the debate concerning emergency management. This is evidenced by the immense uptick of opposition against emergency management following the announcement of an EM appointment to Detroit, opposition that was led by prominent civil rights leaders. As one news article explained in March of 2013, “Civil rights leaders like Sharpton and Jackson have now descended on Detroit with plans for more demonstrations. Jackson claims half of all black Michiganders have been disenfranchised. They voted in a fair election, but the government representatives they chose have been muscled aside by a state appointee” (Tobin 2013). Additionally, several prominent civil rights organizations—most notably the NAACP—have filed lawsuits, either independently or in conjunction with labor organizations, often citing the unfair targeting of black residents by the EM law as evidence of its illegality (see discussion below for further information on such lawsuits).

While the debate concerning the intentional disenfranchisement of black residents by EM law architects is an unresolved issue (and one that cannot be addressed sufficiently here), what is certain is that from the perspective of many residents, activists, and elected officials the EM law and its implementation has
important and very real racial implications. However, those possible intentions and implications extend beyond the democratic procedural and experiential considerations that will be discussed below.

While the above represents key issues framing the institution of emergency management as it appears in Michigan, below are the central findings, organized around Dahl’s 5 criteria and the issue of congruence, as well as additional patterns identified in the data. It is important to note that much of the data is strongly interrelated, often somewhat blurring the lines between different categorizations/criteria. Nonetheless, by separating the data categorically we can begin to see differing effects and a more detailed review of those effects.

**Inclusion of all Adults**

For all three cases, emergency management was found to diminish the level of inclusion for local representatives within the democratic process. All versions of the law make possible the complete exclusion of elected leaders, though the degree to which actual exclusion exists varies between the three cities. For residents under emergency appointment, it is unclear to what extent (if at all) their inclusion is diminished. Why is it unclear to residents? Because they are out of the loop/apathetic/detached, or because they don’t “understand” While activist organizations, through civil action lawsuits, have argued that EM laws are discriminatorily applied to majority African American cities, further investigation is needed to determine the accuracy of this claim.

**Layer 1: Selection of Representatives**

As discussed above, one of the primary debates concerning the emergency manager law is the issue of race. More specifically, many opponents of the law suggest that it unfairly targets majority-black municipalities and their residents. With
the appointment of Kevyn Orr as emergency manager of Detroit in March of 2013, almost half of Michigan’s black population was living in a city under emergency manager, thus effectively being denied the basic voting and representation rights of citizens (Niquette and Christoff 2013). While it can be argued that residents living in cities under emergency management still technically have the right to choose their representatives (which will discussed below), both the fact and perception of racial inequality are issues at the forefront of many residents’ minds (as discussed above).

The racial disparates in the demographic impact of the EM law relates to the issue of inclusion, namely, who is allowed to vote when choosing representatives and which representatives are allowed to vote on policy alternatives. In 2013, the Detroit Branch of the NAACP and the Michigan State Conference of the NAACP served as lead plaintiffs in a civil action lawsuit filed against the Governor, State Treasurer and State Secretary in U.S. District Court. The lawsuit highlighted the state’s use of “fiscal health scores” in determining the appointment of emergency managers. Fiscal scores are calculated using indicators such as population growth, general fund expenditures, general fund balance, and long-term debt as a percent of taxable value. Scores range from 0 to 10, with 10 representing the worst fiscal health. Michigan cities received an average score of 2.4. Five percent of Michigan cities received a score of 6 or higher (no city received a score higher than 8). In their lawsuit, the NAACP argues, “Public Act 436 has been applied in a discriminatory manner. The state has imposed Emergency Managers on cities with majority or near majority African-American populations, even though there were non-African American cities with the same or worse ‘Fiscal Health Score’ as defined by Defendant State Treasurer” (Detroit NAACP 2013: 2-3). As evidence of their claim, the NAACP cited the cases of Hazel Park, Troy, and Pontiac (the two former cities having black
populations of less than 10% while Pontiac’s population is over 50% black), which all received a “fiscal health score” of “6.”\(^9\) Yet, an emergency manager was appointed only in Pontiac, which, according to the organization serves as clear evidence of discriminatory practices. However, the evidence may not be as cut and dry as the NAACP contends\(^10\), given the circumstances under which the emergency manager was appointed in Pontiac. As one Pontiac elected official explained, “The mayor at the time went to Lansing [because] the city council would not work with him. He asked [the state] to send someone.” Thus, the mayor\(^11\), not the state, prompted the emergency manager process. This does not necessarily nullify the NAACP’s claims, or others who make similar claims, but it elucidates the need for further investigation. For instance, in the following we see a white Detroit city employee expressing his doubts that the EM law was purposefully being used to exclude black Michigan residents from the voting process:

…The dominant framework to the degree there has been resistance here, [says] it is a reinstitution of Jim Crow, this is an attempt to disenfranchise black people. Given the racial history of this country, for a lot of people that is a real legitimate interpretation, but I don't think it really explains the motivation of the elites that proposed it, because if you look at the dynamics there is a whole waiting period, and the drive by the Republican Governor, and of course the Democrats make a big deal about a Republican governor carrying it out, they keep ignoring the fact that it was done in collaboration with the state secretary, state treasury; it was the former state legislature, state democratic state leader and former chief of staff for Senator Bill Bradley…no one has really looked at, it has become too much (the rhetoric around the

\(^9\) Scores ranging from 5-7 were placed on the “watch list,” while a score of 8-10 were said to indicate “fiscal stress.” Detroit received a score of 7, slightly higher than Pontiac. Hamtramck’s score is unknown. For detailed information, see [https://www.michigan.gov/documents/treasury/Fiscal_Indicator_Scoring_223016_7.pdf](https://www.michigan.gov/documents/treasury/Fiscal_Indicator_Scoring_223016_7.pdf)

\(^10\) At the present moment, the lawsuit has been “frozen” by the state attorney general, due to the bankruptcy filing in Detroit.

\(^11\) It is important to note that the mayor at the time was white, though this does not necessarily negate the fact that it was the elected leadership of the city who prompted state intervention.
resistance) political football and the Democratic versus Republican thing, and a section of the Democrats are using it and, like I said, a lot of the just everyday people, given the racial history.....It is a legitimate interpretation but I think wrong on their part.

Whether there has been a direct intent to disenfranchise parts of the Michigan population or not, it is clear that a large portion of Michigan's African-American population are located in cities deemed by the governor (in coordination with the state treasurer and financial review team) to be experiencing financial crisis. The causes of this, as discussed previously, are beyond the scope of this study.

Layer 2: Local Legislation

Although it is unclear the precise extent of inclusion on the part of resident, it is clear, however, that the emergency manager law makes possible the exclusion of local elected officials in the democratic process. Section 9(2) of PA 436 states that the EM “shall act for and in the place and stead of” both the mayor and city council members. Thus, the inclusion of the mayor and council in policy deliberation is up to the sole discretion of the EM appointed to their city. Similarly, section 19(1) of the previous law, PA 72, (under which Pontiac’s EM was appointed) “provides that an Emergency manager may...take any other action or exercise any power or authority of any officer, employee, department, board, commission, or other similar entity of the local government, whether elected or appointed, relating to the operation of the local government” (Pontiac Emergency Manager Executive Order No. S-120 2011).

Relatedly, Section 13 of PA 436, states that all “salary, wages, or other compensation, including the accrual of postemployment benefits, and other benefits of the chief administrative officer and members of the governing body of the local government shall be eliminated” upon the appointment of an EM (Local Financial Stability and Choice Act 2012). While the retraction of pay does not necessarily equate to a suspension of influence, it is most certainly symbolic of the level of
expected inclusion. For instance, Pontiac city council members and mayor were stripped of their pay for the majority of the city’s time under emergency management. While Pontiac’s third EM, Lou Schimmel, reinstated the mayor’s pay, formally designating him as a consultant, he nevertheless refused to reinstate pay for council members. Arguing that the city council had not cooperated with him, Schimmel asked, “Why should I do anything for these people?” (Laitner 2013).

In Hamtramck, city council and mayoral compensation was reduced under EM Order No. S-004. At the same time, interviews with former and current Hamtramck elected officials confirmed that city leaders have largely been excluded from substantive governmental functions. The city’s local newspaper, The Hamtramck Review, reported in March 2014, that EM Cathy Square went so far as to turn down a request from the city council for a meeting, arguing that the city council would use that opportunity to “browbeat and micro-manage” (Sercombe 2013). In the same article, she further explains her position, saying, “I have to follow Act 436. I work for the state. I have a rulebook and procedure to follow.” Thus, her concern is not with including local elected officials.

Alternatively, Detroit EM Kevyn Orr, in his first executive order, reinstated pay for both the mayor and the city council, as the order states:

The Emergency Manager has determined that the Mayor and City Council will play a vital role in the collaborative process of addressing Detroit’s financial emergency, ensuring continuity of essential services, and restoring financial stability; and…has determined that, at the present time, the restoration of the salary, wages, compensation, and other benefits of the Mayor and the City Council is consistent with the financial operating plan (Detroit EM Order #1).

The law, then, allows for the exclusion of elected officials, both symbolically (through pay)\(^\text{12}\) and as a matter of practice. However, the extent of actual exclusion or

\(^{12}\) Detroit city councilmembers are full-time city employees, while Pontiac and Hamtramck city councilmembers are part-time and members often hold full-time jobs
inclusion is heavily dependent on who is appointed as emergency manager and what type of relationship he or she develops with elected officials. Whether an EM decides to partially or fully reinstate city council and mayoral pay may, in the future, serve as a reasonably accurate indicator of the forthcoming level of inclusion.

**Control of the Agenda**

In instances where elected city leaders are included (through the reinstatement of both compensation and powers) in the process of city government and legislation, a key question remains: to what extent are they, and by proxy the constituents they represent, in control of deciding the agenda/policy course of the city? Data suggests that local legislators and residents lose a large degree of control over the agenda set for the city. EMs in all three cities, following the logic of the policy itself, often single-mindedly pursue budget-balancing tactics such as privatization of city services, the sale of city assets, and consolidation of city employees, while often foregoing policy courses deemed essential by residents and elected officials. While the EMs in Hamtramck and Pontiac held near-exclusive authority to set the agenda, bankruptcy proceedings in Detroit have shifted much of the agenda setting control to the Federal Judge charged with the bankruptcy case. Additionally, Detroit’s mayor, Mike Duggan, through a power sharing agreement with Orr, has regained some control over Detroit’s agenda, subsequently allowing Detroit’s residents to regain some control as well. Although relative to Hamtramck and Pontiac, Detroit’s residents and elected leaders have retained some control, it is only a fraction of what would normally be expected under normal democratic functioning.

outside their various responsibilities as elected officials. Thus, the withholding of pay may impact councilmembers differentially.
General Issues

When discussing emergency management, a common theme revealed both in interviews and media reports is the issue of the agenda pursued by the municipal emergency managers. As the state law describes, and as would reasonably be assumed given the nature of the appointment, the main role of the emergency manager is that of fiduciary (although as will be discussed in proceeding sections, their actions often extend beyond this overtly stated role). As such, we would expect any emergency manager’s agenda to be primarily concerned with resolving the financial emergency. Thus, in this respect, the state, through the emergency manager, has taken control of the agenda by insisting that financial matters are of primary importance at the particular time that the governor deems a municipality in financial crisis. There are, no doubt, multiple courses of action that could be pursued to improve the financial health of a municipality, and depending on the precise circumstances of each municipality, a slightly different agenda will be set.

Many participants, in multiple cities, however, argued that the emergency manager appointed in their municipality, through his or her ability to set the agenda, were neglecting important issues. One former Detroit city employee argued,

The financial manager is worried about one thing: the bottom line. The bottom line is what financial managers worry about. But what a mayor should be worried about is economic development. The development of neighborhoods. The development of people....And the financial manager doesn't have to concern himself with any of that.

Similarly, one Hamtramck elected official explained,

Well this is true under both emergency managers: There is no interest [by the emergency manager] in the long-range sustainability, or the identity, or the strengths and aspects of the city. Their charge is simply to make the numbers

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13 In other words, their appointment is predicated on the understanding that there is a real and severe economic crisis occurring in a particular municipality. Although this has been challenged by many activist organizations, the assumption of this project is that there are real economic issues.
come up black and what ever harm they may do, what ever cutting or slashing that cause long-term issues and undermine the foundation that could make the city work long-term, doesn't matter. It is just... they want to be able to turn in this paper at the end of the year, the numbers are black and their job is done…. The city that they have left behind, they have gutted. The asset adding, property and assets that the city would need going forward... They have paid no attention to what would actually build the foundation. Actually they have undermined that foundation. This is true under either [the PA 72 or PA 436] law.

Both quotes suggest that emergency managers, in their charge as fiduciaries, have a limited, short-term vision, in terms of the agenda for the city, and further, that the agenda has been set prior to the EM stepping foot in city. In a March 2014 interview with the MacKinac Center for Public Policy, former Hamtramck and Pontiac EM and current Pontiac Transition Advisory Board (TAB) board member, Lou Schimmel said (of beginning his tenure in Pontiac), “…I felt like I knew everything that I wanted to do before I even arrived. And I thought that my job was to get in, fix it, and get out as fast as possible. And I believe that I did that” (LaFaive 2014).

Layer 2: Local Legislation

Additionally, attempts by city leaders to both formally\(^1\) and informally\(^2\) add items to the agenda, have been blocked. As one Hamtramck elected official explained,

When [Cathy Square] first came in, I talked to her quite a bit about infrastructure improvements, especially long-term capital investment plans for our sewers and our streets, and she said, you know, once the basics are done, this was a big part of her agenda for what she wanted to accomplish here.... but she completely walked away from it all. She said that it is for the city manager to figure out. That is her statement now…. It is just off the table now. What do we do? We could have been working on this problem for the past year. But, we haven't been because we don’t have the authority to do any of that anymore and she is not interested in that.

Similarly, a former Hamtramck elected official, explaining a previous agenda item the city had been pursuing, explained,

\(^1\) Meaning, to get an item added for consideration onto the city council formal agenda.

\(^2\) This would include efforts by city leaders to convince the EM to take up an issue for consideration and deliberation
So we found, I think twice, maybe three times now, we have found grants that only needed a match. And the match wasn't even that high. The match wasn't even 50/50. And the money is there in the road fund. Michigan has a fund that money goes into that every municipality has, so that every city can repair the roads, fix the roads. Sidewalks. So there is a section of that money that is non-motorized. And what falls under that would be sidewalks, bike trails and the alleys. So anything to do with those three things the money can be used for. It can't be used for anything else. And what does the EM do? She killed it.

Thus, in the case of Hamtramck, the emergency manager has exercised sole authority and control over setting the agenda, including removing items, such as improvements to sewer and water infrastructure and the expansion of pedestrian and bicycle paths from consideration.

In Detroit, however, the issue of “who controls the agenda” is much more complicated. While it is true that the Detroit emergency manager, Kevyn Orr, compiled and filed for bankruptcy on behalf of the city (with the blessing of state leadership), thus setting a course for Detroit that no other previous city leader had attempted, this action has in effect taken much of the control out of his hands and put it into the hands of the federal bankruptcy judge, Steven Rhodes. The bankruptcy eligibility trial was the deciding factor (and in which Judge Rhodes had sole discretion) in terms of Kevyn Orr’s agenda for the city. As one Detroit Free Press article put it, “In approving the nation’s largest-ever municipal filing, Judge Steven Rhodes cleared the way for Detroit’s emergency manager to develop a plan to reorganize the city’s estimated $18 billion in debt” (quoted in Fletcher and Wilson 2013). Hence, the eligibility ruling served as the first step in the process of coming to terms with the city’s debt: namely, the determination of the agenda to be pursued by the emergency manager. Thus, in the case of Detroit, the EM, while having the authority to construct the financial agenda, does not have final control over it; this,
instead, rests with Judge Rhodes.\textsuperscript{16} As argued previously, however, EM Orr, acting on behalf of the city, initiated the initial bankruptcy filing, effectively excluding the elected leadership from the agenda setting process.

Comparatively speaking, then, Detroit, Pontiac, and Hamtramck elected officials lose much of their control over the agenda. For Pontiac and Hamtramck, the EM retains sole control over setting the substantive agenda for the city. In Detroit, however, the unique circumstances brought on by the bankruptcy filing shifts part of the control to the bankruptcy judge: while Detroit EM Kevyn Orr formulates the proposed agenda, Judge Rhodes has, in essence, veto power (this issue is also tied to voting equality, which will be discussed later).

The circumstance in Detroit can be further contrasted given recent agreements between Orr and Detroit’s most recent mayor. The actions pursued by the newly-elected Mayor, Mike Duggan\textsuperscript{17}, suggests that the bankruptcy agenda set by the emergency manager, and approved by Judge Rhodes, is only part of a more general plan for overseeing Detroit. As one Detroit resident suggested (in his quote above), an important issue for many Detroit residents is the condition of city neighborhoods. On November 1\textsuperscript{st}, 2013, I was able to attend a public campaign event in which then-candidate Duggan presented his proposed agenda to city residents. Figure 3 provides his “10-Point Neighborhood Plan” as presented in leaflet form to residents who attended the meeting (and others like it). With his 10 percentage point victory over his opponent Benny Napoleon it would seem that the electorate granted him a green light to proceed with his proposed agenda (Alhajal 2013). Of course, the question remained: would the emergency manager give him the authority to pursue the agenda

\textsuperscript{16} This is the case with any municipal bankruptcy, whether an EM is in place or not.
\textsuperscript{17} Elected on November 5, 2013; for full election results, see (http://www.detroitmi.gov/Portals/0/docs/elections/General%20Election%20Nov%202013_OFFICIAL%20Summary%20Report.pdf)
**Figure 3.** Mike Duggan’s 10-Point Neighborhood Plan

<table>
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<tr>
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<th>MIKE DUGGAN’S 10-POINT NEIGHBORHOOD PLAN</th>
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<tr>
<td>1</td>
<td>Establish a single Department of Neighborhoods (DON)</td>
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<tr>
<td>2</td>
<td>Base the DON in 7 Neighborhood District Offices to create true partnerships with Neighborhood Groups/Block Clubs</td>
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<tr>
<td>3</td>
<td>Seize Abandoned Houses/Drug Houses through nuisance abatement program Mike started as Prosecutor</td>
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<td>4</td>
<td>Create positive incentives to move families from sparsely populated areas into stronger neighborhoods</td>
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<tr>
<td>5</td>
<td>Rebuild neighboring business districts, beginning by seizing abandoned store fronts and moving in entrepreneurs</td>
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<tr>
<td>6</td>
<td>Streamline demolition process and strategically target neighborhoods</td>
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<tr>
<td>7</td>
<td>Crack down on illegal scrappers and their scrap yards</td>
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<tr>
<td>8</td>
<td>Create much tougher code enforcement</td>
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<tr>
<td>9</td>
<td>Require banks to participate in neighborhood redevelopment</td>
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<tr>
<td>10</td>
<td>Reform Detroit Land Bank so we can reuse vacant land</td>
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**VOTE NOV. 5TH**

_DUGGAN FOR DETROIT_

PAID FOR BY THE MICHAEL DUGGAN FOR MAYOR COMMITTEE  
2751 E. JEFFERSON, DETROIT, MI 48207
he had campaigned on? On December 30th, 2013, EM Kevyn Orr signed Order No. 20, which set “forth the specific delegations of authority and transition protocols” with the “overall intent… to establish a clear set of guidelines to enable the mayor to oversee the day-to-day operations of the City, and to provide for collaboration and shared responsibility” between EM Kevyn Orr and newly elected Mayor Duggan (Orr 2013). Figure 4 provides the power-sharing agreement between the mayor and the EM, as presented in EM Order. 20. As illustrated in the figure, Orr, through the agreement, has delegated day-to-day operational authority to the new mayor (this only includes operational decisions, such as hiring decisions and infrastructure investments, that do not exceed $50,000 to implement) while retaining authority over the majority of financial matters and the police department (which he argues is a crucial financial matter). The dotted line in the figure connecting Duggan to the chief financial officer (CFO) represents a secondary reporting relationship between the CFO and Duggan, while the primary reporting relationship remains with Orr. Thus, as the executive order makes clear:

The overall intent of the following is to establish a clear set of guidelines to enable the Mayor to oversee day-to-day operations of the City, and to provide for collaboration and shared responsibility between the EM and the Mayor when in the City’s best interest, while upholding the law under Public Act 436 which grants specific powers and final decision-making authority to the EM (Orr 2014, emphasis added).

However, while Kevyn Orr continues to have ultimate authority over setting the agenda for Detroit, through the delegation agreement, Mayor Duggan has been authorized to move forward with the majority of his campaign agenda. Only a few months into his term, the Department of Neighborhoods (DON) has been created (as pledged on his campaign leaflet above), and a director and assistant director was appointed to each of the seven districts created through the department.
Figure 4. Delegations of Authority and Transition Protocols for Detroit
However, Mayor Duggan has not been able to follow through on the entirety of his campaign agenda. As part of his campaign, he pledged to fight pension cuts if elected mayor. However, as outlined in EM executive Order No. 20, Duggan is restricted from making any decisions that are “inconsistent with or may compromise” Orr’s agenda. Despite his campaign promise, then, Duggan has not been able to actively oppose such cuts. Thus, while Detroit may serve as an example of the possibility for local leaders to retain some control over the agenda set and pursued by the city, the fact remains that the retention of that control is at the complete discretion of the EM, and any control they do retain must not threaten or dispute the primary agenda set by the emergency manager.

In Pontiac and Hamtramck, their appointed EMs have not made any similar arrangements and continue to oversee both financial and day-to-day operations. It begs the question, “Why in Detroit but not in other cities?” Several interviewees and news stories suggest a possible answer: the bankruptcy filing and scale of Detroit (in relation to the other two cities) may necessitate a substantial delegation of authority due to time limitations. Kevyn Orr, during a news conference with then-mayor Mike Bing and Governor Snyder following the announcement of his appointment, explained the size of Detroit’s challenges, saying, “This is the Olympics of restructuring” (Davey 2013). One Detroit resident, reiterating the size of Detroit’s challenges argued,

I think this bankruptcy and financial restructuring is so massive that that is all he can focus on...all he can do. Which is...maybe why him and the mayor are able to work so well together. Because the mayor, in a way, has been able to take a load off of Kevyn Orr, he's got his work cut out for him just with restructuring the bankruptcy and restructuring the debt. What else can he do?

A Hamtramck elected official echoed this, saying, “You know, Detroit is an animal of its own... there is just a lot more cooperation.” Similarly, Orr’s spokesman, Bill
Knowling, explaining the power sharing agreement between Orr and Duggan, said, “It’s a Herculean task to try to manage the bankruptcy, the restructuring and the day-to-day operations of the city. All three of those things have to happen, and they have to happen in good order. It frees him (Orr) from getting bogged down in a lot of the day-to-day operational decisions that happen in a city” (Helms 2013). Alternatively, for EMs in the smaller cities of Hamtramck and Pontiac, their attention and time is not as limited—they have the ability to continue to oversee both important financial issues and day-to-day operations. Thus, the size of the city, and subsequently the size of the financial problems EMs are tasked to address, appears to play a major role in the extent to which elected officials retain control over the agenda.

*Layer 1: Selection of Representatives*

At least for the time being, the agenda approved by residents in Detroit via their election of Mike Duggan, seems to be moving forward. This, again, provides a stark contrast to both Pontiac and Hamtramck. Duggan’s election, however, brings up an additional important component to the issue of control of the agenda. If Mayor Duggan fails to continue to live up to his campaign agenda, voters will have the chance in 2017 to elect an alternative mayor. As such, residents have the ability to hold the mayor accountable, and retain some control over the city’s agenda. Alternatively, because the governor appoints the EM, residents have little if any control over the agenda he sets forth (of course, this is true in all three cities). While the governor remains accountable to Michigan residents—and thus, it can be argued that Detroit, Pontiac, and Hamtramck residents retain some control over the agenda—the impact each resident’s vote has at the state level as part of the larger state-wide voting populace is negligible in relation to the impact at the local level.
It can be argued that the repeal of PA 4 in 2012 by state-wide referendum was a direct attempt by Michigan state voters to control the agenda concerning how municipal financial crises are handled. More specifically, opponents of PA 4 argued that the law extended the powers of the EM too far, especially as it applies to the EM’s ability to alter or void union contracts. As I previously argued, voting power is one of the main methods by which residents are able to retain control over the agenda set by their elected leadership. State-wide referendum, alternatively, represents residents’ direct control over the agenda—they, not state or local legislators, are able to directly vote on policy issues.

A review of the election results indicate that residents of Hamtramck, Pontiac, and Detroit repealed the law at higher rates than did residents of Michigan in general. State-wide, 52% of Michigan residents\(^\text{18}\) voted to repeal the law, a lower rate than any of the three cities. In Hamtramck, where Louis Schimmel had completed his appointment 6 years prior to the referendum, 60% of residents voted to reject the law (Wayne County Clerk). In Pontiac, which was under emergency management at the time of the referendum, residents voted to repeal the law by a 51-point margin: 76% to 24% (Oakland County Clerk). Similarly, in Detroit, which was currently operating under a consent agreement, and with the threat of emergency management looming, residents overwhelmingly voted against PA 4: 82% voted to repeal, while 18% voted to retain (Detroit City Clerk). Thus, voters in cities directly impacted by emergency management more strongly rejected the law and the policy agendas set by their respective emergency managers. However, the quick passage of PA 436 calls into

\(^{18}\) More specifically, residents who are registered to vote and who also voted in the November 2012 election.
question how much control state voters have over the agenda as it concerns emergency management.

Nonetheless, it is clear that the extent to which residents and city leaders retain control of the agenda following the appointment of an emergency manager to their city varies across municipalities. For both Pontiac and Hamtramck both residents (layer 1) and elected officials (layer 2) retain little if any control over the agenda during emergency management. For Detroit, on the other hand, possibly due to the size and scope of the city and issues the EM has faced (as compared to the other two municipalities) both residents and elected officials\textsuperscript{19} have been able to retain at least partial control. However, as explained, the bankruptcy further complicates the matter in that much of the agenda set in Detroit has been controlled by both EM Orr and Judge Rhodes, as opposed to the complete control retained by the EMs in Pontiac and Hamtramck.

**Enlightened Understanding**

Regardless of how the agenda is set under emergency management and the degree to which residents and/or elected officials lose control of the agenda, the flow of information between the emergency manager, residents and elected officials is crucial to the democratic process. During many of my interviews, this issue came up repeatedly. There were three main patterns identified: 1) the understanding on the part of residents and elected officials as to what emergency management entailed and what they could expect from an EM in their own city (layer 1 and 2), 2) the amount of information provided to residents by the emergency manager operating in their city (layer 2), and 3) the amount of information shared with elected officials by the emergency manager (layer 2). Similar to results found when considering control of

\textsuperscript{19} The mayor, at least.
the agenda, emergency management was found to constrict the flow of information to both residents and local legislators in all three cities, although due to specific contextual characteristics, this constriction of information and transparency was seen in Detroit to a lesser degree than the other two cities.

Layer 1 and 2: Understanding of the Law

Given that in two of the three cities considered here the transition to emergency management was initiated by one or more local elected officials, an understanding on the part of both elected officials and residents of the emergency manager law and the actions undertaken by previous emergency managers would indeed be information pertinent to those who may be potentially affected. Yet, as one Detroit activist put it,

Well, honestly at this point in this day in age, it's about knowledge. You have to get the word out because a lot of people don't take the time out to sit back and look and see exactly how everything is going to affect them or others…. I don't think people knew the type of power he would be able to hold. So that's what I think it was… a lack of knowledge.

At the very least, a lack of understanding on the part of residents and city leaders with regard to the implications of emergency management can lead to unclear and misguided expectations that, in turn, would directly impact how actions undertaken by the emergency manager are perceived. As one Detroit city employee argues,

A lot of people…in the city workforce think the money is there, that this is an artificially manufactured crisis. But all you have to do is look at the city; this is not an artificially manufactured crisis…. When you talk to people they say, "Well just eliminate this person's salary and that person's salary," and when you tell them that 2 or 3 million dollars won't help, let alone $200,000, that it is chump change [they don’t understand]. People have no idea of the scale of stuff. And then you tell them about the debt payments to the bank of some $200 million, [and they say],"What are those?"

It is undoubtedly unrealistic to expect everyday residents—as well as elected officials who often hold full-time jobs outside of their public service work—to fully understand the complexities of city finances and/or the details of a state law written in
esoteric language, but the gap in understanding is nonetheless important to note. I asked respondents (both residents and elected officials) whether they had been paying attention to what was happening in other cities that were under emergency management prior to it occurring in their own city. One Detroit resident responded, saying, “It is different when you don’t live there. I mean, yes, I followed along. I used to work at a newspaper that was heavily involved in Benton Harbor. So I followed along with that and Pontiac, you know.” Thus, for many residents, events or issues occurring in other cities seem distant and removed from their own lives. Until individuals are directly impacted by emergency management it may be hard to see the issue as pressing or worthy of attention. Additionally, up until Detroit, there was far less media attention paid to cities experiencing emergency management (Flint and Pontiac had received some attention, but no where near the level of Detroit). An elected official in Hamtramck responded similarly, explaining,

I haven't really talked to other elected officials in other cities about the day-to-day interactions and cooperation with the emergency managers. I just know a few things that some emergency managers have required that their elected officials, in order to get their pay, have to go through municipal league training, and stuff like that, which is fantastic.

Several other interviewees had similar responses, the overall sentiment being that they had casually followed events in other cities and knew only general information regarding the emergency manager statute.

*L*ayer 1: *EM Information to Residents*

Of course the level of understanding residents and city officials are able to obtain is highly dependent on the amount of information provided by emergency managers. That is, even in cases where residents and elected officials actively seek out information its accessibility may be limited.
Indeed, there was surprising consistency in terms of residents’ responses to the issue of information sharing by the emergency manager appointed to their city. One Detroit resident and former city employee, when asked about the actions of the emergency manager, said, “[it is] virtually unknowable. He doesn't talk to anybody… unless directly asked by the media. And then he only says the bare minimum.” Mirroring this sentiment, another Detroit resident and activist responded, “It seems like there is no accountability for what's going on. I think that the public is not made aware, you know, as much as what they are owed.” Yet another Detroit activist explained, “[the availability of information from the emergency manager] is a lack thereof, honestly.” Alternatively, when asked whether he thought the city council and mayor (previous to an emergency manager being appointed in Detroit) were more transparent, one Detroit resident and former city responded, “Oh yeah. You can watch the city council on public television everyday. You can watch what they are deciding everyday!”

Layer 2: EM Information to Elected Officials

Though the sentiments expressed by elected officials were much the same as residents, there was one major difference: elected officials, being much more active in seeking out information from the emergency manager, were often explicitly denied access. A Hamtramck elected official explained,^20

> We have no information at all. And when we try to get information, basically, it is completely denied. We had a fired city manager, and he sued us, and I have heard a rumour that that lawsuit was settled. I have never received any information that it was settled, from [the emergency manager]. I don't know if it was settled, how much it was settled for. And we have other lawsuits going on. When I tried to schedule, for instance, a closed session with our attorney, to go over our lawsuits, she wouldn't let it on the agenda... on the city council agenda. We aren't allowed to have that information. That is a pretty sad state.

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^20 Here, she is quoted at length, due to the fact that this was a major theme of the entire interview, regardless of the question asked, indicating that, as she sees it, the lack of information is one of the most significant impacts.
Not necessarily even financial information, just basic information about what is happening with our administration…. Since she came in on July 1st, we have had absolutely not one bit of financial information shared with us. So we have no idea how much the city is spending, how our budget is, is there money in the bank, who is getting paid what. The making decisions, cutting positions, giving other people raises, we have no justification. We haven't been shown the numbers at all. So we get everything by rumour…. But we have no way of judging whether those decisions she has made are valid, or in our interest, or even in fulfilling this basic mission of balancing the budget. We don’t know. So what happens then, when she leaves, in two years, there is still an oversight committee, when the city is making those decisions again…. There may be decisions we see, once we get to see them, maybe they will be great decisions. But we don't know.

Similarly, former Detroit Mayor Dave Bing, in an interview with the Detroit Free Press, was asked whether the filing by emergency manager Kevyn Orr of Chapter 9 Bankruptcy on behalf of the city of Detroit came as a surprise to him. He responded, “Yes, it was,” indicating that the EM had not provided him with any information about the historic filing before formally submitting the documents (Wisely and Guillen 2013).

However, the level of information provided by the emergency manager to elected officials is dependent upon the emergency manager in place and his or her relationship with city officials. In an interview with the Oakland Press, former Pontiac Mayor Leon Jukowski explained how the second EM in Pontiac, Michael Stampfler, “ordered people not to speak with me,” while characterizing his and third Pontiac EM Lou Schimmel’s relationship as “far more open” (quoted in Blitchok 2013). However, Lou Schimmel now sits on the Transition Advisory Board (TAB) for Pontiac, following his resignation as EM once that city’s financial emergency had been declared to be resolved. During a city council meeting on March 20\textsuperscript{th}, 2014, Pontiac’s current mayor, Deirdre Waterman, described at length her experience attending a TAB meeting, arguing that much of what they were discussing had not previously been communicating to either her or the city council. In particular, she criticized the
TAB and Joseph Sobota, Pontiac’s city administrator (who was appointed by outgoing EM Louis Schimmel and vested with much of the powers of the EM), for failing to notify her and the city council of an easement deal negotiated by the TAB and Sobota (details of which will be discussed further when considering the issue of congruence). During the meeting, Mayor Waterman, addressing Sobota, who was in attendance, said, “Why was it necessary to conduct this in stealth, in secrecy, without consulting anyone here, including myself?” adding, “This has become a pattern of our relationship. I tried in the beginning…. The citizens have a right to know.”

Following the mayor’s comments, Mr. Sobota did not formally respond and left the meeting directly after the mayor’s comments. Earlier in the meeting, however, in response to similar comments, Mr. Sobota, citing EM Order 334 (which had created his position and empowered him with authority similar to an EM), argued that he was under no obligation to share information with the city council.

However, as a Pontiac elected official explained to me, “Mr. Sobota keeps us updated by email at least once per week, as part of subcommittees.” Thus it is unclear to what extent elected officials are provided with information by the TAB or city administrator Sobota. Nevertheless, Mayor Waterman’s statements suggest that transparency issues extend beyond the emergency manager’s appointment and continue into the TABs tenure.

Interviews and comments made during city council meetings indicate that elected officials are denied important information during the tenure of both the emergency manager (in all three cities) and the TAB (as seen in Pontiac). While state leaders and emergency managers claim that it is the local elected officials’ lack of knowledge concerning city government and financing that is a main factor in creating

21 Direct quotes from notes taken during in-person observation of the city council meeting.
the cities’ economic troubles, one Hamtramck elected official argues that it is the deliberate withholding of information and lack of transparency that is primarily to blame for the ongoing crises. She contends that there has been no attempt by Hamtramck EM Cathy Square or any other state leader or appointee to educate or train city leaders, explaining,

Given the narrative that elected officials are all idiots and all they care about is being elected again...then why wouldn't you say then, "I just privatized the DPW. Here is why I did it. Here is our cost savings, here is our increased efficiency. Now children, when you have to do this in 1 year, I want you to know this is how you do it; here is sound financial principles; here is how you do cost analysis, evaluate a proposal, etc. Children, you will have to do this someday." It would be patronizing but it would be helpful. And it would be consistent if that is the real agenda on the part of the state. But they don't care.

Layer 1 and 2: The Role of Media Coverage

Similar to the lack of obligatory information sharing written into Pontiac’s city administrator position (as Mr. Sobota explained at the city council meeting) PA 436 (and its predecessors) is almost completely void of stipulations requiring EMs to provide information to city leaders or residents. Beyond the required initial public meeting to be held by newly appointed EMs and the obligation of EMs to inform the public and city leaders of executive orders and quarterly financial reports, it is completely dependent upon the specific EM whether he or she shares additional information.

Thus, the media (local, state and national) play a crucial role in the issue of enlightened understanding. As one Detroit resident explained (as quoted above), much of the information Detroit EM Kevyn Orr provides is very much dependent upon what he is specifically asked by media outlets and reporters. Interviewees in Pontiac and Hamtramack expressed similar sentiments concerning the EM operating in their city. However, there was a clear consensus that Detroit had been the subject of significantly more media attention than either of the other cities. While conducting
research, I found this to certainly be the case: it was decidedly easier to obtain information regarding the situation in Detroit, with large amounts of local, state and national new stories available. Finding information pertaining to Pontiac was more difficult, and information regarding Hamtramck was more difficult still. Thus, the size of the city correlates to the amount of media attention. A Hamtramck elected official echoed this finding, saying,

You know, Detroit is an animal on its own, and the emergency manager there looks completely different than it does here…so probably because there is so much more public scrutiny. Here they are not really paying attention to how things are working and there, there is just a lot more cooperation… probably because people are watching. There has to be a public perception of cooperation and openness, especially because of the racial component.

As this interviewee suggests the difference in the level of information, openness, and transparency found in Detroit can be attributed not only to the size and notoriety of Detroit, but also to the demographic make-up and racial history of the city. Detroit is not only the largest city of the three, but it also has the largest African American population. As the Hamtramck elected official suggested, this equates to increased attention and scrutiny, and, possibly, more pressure and limitations placed on Detroit EM Orr, as opposed to the EMs in Hamtramck and Pontiac.

There are additional factors at play as well which may help explain the difference in media attention and scrutiny: the timing of Detroit’s emergency management (post-PA 4 repeal); a possible increase in discontent with emergency manager laws among the public; and the presence of activist organizations within Detroit. Each would suggest that Detroit’s EM is under additional pressure to share information, appear open to outside suggestions, and provide greater transparency to the public.
Firstly, it seems reasonable to assume that Detroit’s EM, Kevyn Orr, having been appointed soon after the repeal of Public Act 4, would be under increased pressure as opposed to EMs operating prior to the repeal. However, emergency managers in both Pontiac and Hamtramck were both operating after the repeal (Schimmel in Pontiac was appointed prior to repeal and continued his tenure during and after, while Square in Hamtramck was appointed only a few months after Orr). Thus, the timing does not adequately explain the variance noted between Detroit and the other two cities. Secondly, a sense of growing public discontent with emergency manager laws, if this was a possible cause, should put pressure on emergency managers in all EM cities, not just Detroit. Especially in the case of Hamtramck and Detroit (considering their current EM appointments have been very similar in both timing and duration) we would expect to see a similar shift in the level of information and transparency; as shown, however, this has not been the case. Lastly, the possibility that the larger size and influence of activist organizations in Detroit as compared to Hamtramck and Pontiac accounts for the increased pressure on Orr is certainly conceivable. However, this does not discount the variables of size and racial history, which themselves may directly impact the size and influence of activist organizations operating within Detroit. As discussed previously, civil rights groups flooded Detroit following the announcement of Orr’s appointment, something that had not occurred following the appointment of EMs in any other cities (even those with similarly majority black populations). This suggests that the particular context of Detroit, as compared to Hamtramck and Pontiac, has caused the influx of attention. Thus, while other factors may be at play, both data and logic suggest that the size and racial history of Detroit (as explained in the introduction to the findings section) are the essential factors driving the variation seen between the three cases.
While the amount of information provided by EMs, through the media or otherwise, to both residents and elected officials varies, it is clear that from many residents’ and elected officials’ perspectives, there is a serious lack of transparency across all cases. However, it should be noted that, though much of the information I found regarding public meetings and executive orders was available online, many of the residents and elected officials were unaware of the sites and the data they provided. But, as I stated before, much of the information (in the form of city documents such as EM Orders, State required financial reports, and EM/TAB meeting minutes) is communicated in such a manner that it is often difficult to understand. It is also unclear at what point in the process these documents are made available to the public. Additionally, it would take a substantial investment of time and effort for most residents or city officials to search for and read the documents described. Thus, regardless of varied levels of information provided in each case, the information that is shared restricts (especially the method by which it is done) restricts the potential for an increased sense of enlightened understanding on the part of both residents and elected officials.

**Effective Participation**

Directly related to understanding and the sharing of information is the extent of citizens’ and elected officials’ participation in decision making processes taking place under emergency management. Without the relevant understanding and information to guide participation, the latter will be less effective and less purposeful. Using primarily interview data and government document records, my analysis revealed five main responses to the impact of emergency management on participation which vary between the cities: 1) emergency management adds to an already high sense of apathy among residents, 2) emergency management seems to have little impact on actual
Layer 1: EM and Confidence in Local Government

Considering all three cities (and all of the cities under emergency management, more generally) have been experiencing economic decline in some way for the past decade or more and have experienced city dysfunction (especially in the case of Detroit and the political corruption of former Mayor Kilpatrick), many interviewees indicated that prior to the appointment of an EM, residents had developed an apathetic attitude towards city government. As one Detroit activist explained, “In 2010, our numbers for voting for the state weren't very good...The governor's race in 2010 they were atrocious.” Similarly, a Detroit resident, explained, “So we had that problem in Detroit, right. There were so few people that stepped up and participated, and the infrastructure that is in our vested interest, because we live here, is falling apart, and we can't change it because we can't functionally elect any one that can change it, because no one is participating.” Acknowledging existing levels of apathy, many indicated that emergency management has only acted to prolong or increase the sense of apathy among residents. As one Detroit resident explained,

So the people who feel disenfranchised, you know a lot of the time . . . a lot of people give up on the democratic process . . . . They feel disenfranchised because they have no say in it. They are going to throw an EFM at us, and that is that. So why am I going to even bother.

Similarly, referencing city workers, a Detroit city employee explained, “there is a total demoralization” due not necessarily singularly to emergency management, but also to the continued cuts being made to city workers’ salaries and pensions, which he
explained have been occurring for quite some time. Thus, for many residents, the appointment of an EM may not significantly impact an already high level of indifference to local government, but instead reinforce a loss of confidence in government efficacy.

Layer 1: Voting Participation

The propositions stated above—that high levels of apathy among residents may be mostly attributable to prolonged economic and government problems, while emergency management only reinforces existing distrust in city government—may help explain the lack of significant change in voting habits under an EM. In 2012, voter turnout in Michigan for the general presidential election was 63%, down 3.2% from the previous presidential general election (Michigan Secretary of State). Alternatively, Hamtramck had a voter turnout rate of 45.7%, Pontiac 49.66% and Detroit 51.05%, all more than 10% lower than the state average (http://www.waynecounty.com/clerk/1609.htm). Given that the economic situation of each city is worse than the state average, this difference in voter turnout is understandable. The question, though, is whether emergency management, on its own, has any impact of voter turnout. Table 5 provides the available voting data for Detroit and Pontiac for both general and primary elections. Due to limited data, it is difficult to make a definitive claim, but there does not appear to be any significant impact on voter turnout. Looking at both 2009 and 2013 local general elections in Pontiac (noting that Pontiac received an emergency manager in 2009), for instance, there is only a 1.34% difference in turnout for the two elections. There is a similarly small decline between the 2008 and 2012 general presidential election. Unfortunately, voting records for Hamtramck were limited to the 2013 local general elections. However, for this election there was a 24.7% voter turnout rate, much higher than
Table 5. Detroit and Pontiac Voter Turnout Data

| Year-Level | DETROIT | | | | | | PONTIAC | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Registered Voters | Ballots Cast | Voter Turnout | | Registered Voters | Ballots Cast | Voter Turnout | | | | | | |
| **Primary Elections** | | | | | | | | | | | | | | |
| 2004 - U.S. to local | 43,384 | 4,330 | 10.00% | | | | | | | | | | |
| 2006 - U.S. to County | 45,219 | 5791 | 12.81% | | | | | | | | | | |
| 2008 - President (both) | 44,917 | 8,070 | 17.97% | | | | | | | | | | |
| 2008 - Local to U.S. | 45227 | 5590 | 12.36% | | | | | | | | | | |
| 2009 - Local | 575,534 | 97,903 | 17.01% | | 2009 - Local | 45227 | 3523 | 7.79% | | | | | | |
| 2010 - State | 567,102 | 86,348 | 15.23% | | 2010 - State to County | 45227 | 1220 | 2.70% | | | | | | |
| 2012 - Local to State | 553,165 | 88,976 | 16.08% | | 2012 - President (both) | 44083 | 6707 | 15.21% | | | | | | |
| 2013 - Local | 538,048 | 96,648 | 17.96% | | 2013 - Local | 44,516 | 4393 | 9.87% | | | | | | |
| **General Elections** | | | | | | | | | | | | | | |
| 2004 - U.S. to local | 44,008 | 22,578 | 51.30% | | | | | | | | | | |
| 2006 - County to U.S. (not president) | 45,197 | 16,121 | 35.67% | | | | | | | | | | |
| 2008 - Local to U.S. | 45227 | 22984 | 50.82% | | | | | | | | | | |
| 2009 - Local | 572,502 | 129,842 | 22.68% | | 2009 - Local | 45227 | 6589 | 14.57% | | | | | | |
| 2010 - State | 562,674 | 176,700 | 31.40% | | 2010 - State to County | 44013 | 13054 | 29.66% | | | | | | |
| 2012 - County to U.S. | 568,854 | 290,345 | 51.04% | | 2012 - County to U.S. | 43,708 | 21704 | 49.66% | | | | | | |
| 2013 - Local | 535,586 | 135,929 | 25.38% | | 2013 - Local | 44500 | 5887 | 13.23% | | | | | | |
typical Pontiac local general elections and very similar to Detroit (Wayne County Clerk’s Office 2013). The significantly lower voter turnout in Pontiac (as opposed to the other two cities) may in large part be due to the city’s decade-long significantly higher unemployment rate. Table 6 provides a city comparison of unemployment and voter turnout for the 2013 local elections. Previous research indicates a similar correlation; “economic problems both increase the opportunity costs of political participation and reduce a person’s capacity to attend to politics (Rosenstone 1982). While relatively short periods of increased economic adversity (such as the initial periods of a recession or the sudden loss of a major local employer) may increase participation, prolonged periods of economic hardship stagnate or decrease voter participation.

Table 6. Unemployment and Voter Turnout Comparison

<table>
<thead>
<tr>
<th></th>
<th>UNEMPLOYMENT</th>
<th>VOTER TURNOUT</th>
</tr>
</thead>
<tbody>
<tr>
<td>HAMTRAMCK</td>
<td>9.10%</td>
<td>18.20%</td>
</tr>
<tr>
<td>DETROIT</td>
<td>17.70%</td>
<td>27.80%</td>
</tr>
<tr>
<td>PONTIAC</td>
<td>22.70%</td>
<td>33.90%</td>
</tr>
</tbody>
</table>

* Data collected from U.S. Bureau of Labor Statistics and homefacts.com

Looking at unemployment between the three cities, however, Hamtramck’s unemployment (for all three years) is significantly lower than both Pontiac’s and Detroit’s, thus it may be expected that Hamtramck’s voter turnout rate would be much higher than these two cities. However, as the data reveals, this is not the case. This finding may be attributed to the continued voter turnout efforts on the part of union
organizations and other “interest groups”\textsuperscript{22} in Detroit. In a small city such as Hamtramck (or even Pontiac), there will be little, if any, effort or presence on the part of labor unions, private interests, and other organizations that contribute to voter turnout efforts. Thus, Pontiac has suffered from both high unemployment and the lack of organizational mobilizing efforts. Alternatively, Hamtramck has had relatively low unemployment but low mobilization efforts while Detroit has experienced the opposite\textsuperscript{23}.

Based on the available records, the absence of the expected decline in voter turnout is consistent with interview data. Every participant who provided information about their voting habits revealed that they had continued to vote regardless of the appointment of an emergency manager to their city. This is not to say that they did not consider or acknowledge that their vote may be less effective during the period of EM control. As a Detroit resident and former city employee put it, “I've already voted. I voted a month ago. And I voted for the candidate that I think would do the best job. But, then again, he's got the financial manager standing at his side that can trump anything that he does or says.” Thus, though he had considered the impact emergency management would have on his vote, he had decided to continue to vote.

While data for Pontiac suggests a slight (but seemingly insignificant) decrease in voter turnout, the limited data on Detroit suggests a possible slight increase at the local level. For the 2013 general local election voter turnout was 2.7% higher than in 2009. Although a small amount, it is consistent with one Detroit resident’s assessment of recent changes to city council elections:

\textsuperscript{22} Such as nonprofits, corporations, or other private interests.

\textsuperscript{23} Motivations involved with voter turnout are, no doubt, more varied than the two variables mentioned here. However, for the specific cases of our three cities, unemployment and voter mobilization can help to explain the specific phenomenon observed.
I think that one of the most positive changes that has happened is the city council being elected by district. This is the first time. And I think in the long run, when people look back on Detroit and this era, that will have a more profound affect than the EFM...Because for the first time it makes me feel more represented. Where as before, when they elected all the city council members at large, it didn't really matter who you voted for because the players that were involved were all being elected by their power base, not the people that they were represented. So it was kind of like one big power struggle. It was basically an oligarchy.

Thus, regardless of emergency management, this individual suggests that changes to the city council election process may have a long-term effect on increasing participation as measured by voting turnout, However, it will require several more years of data to confirm his assertion.

Intermediary Layer: Resident Access to Decision-Makers

As I discussed previously, with a growth in voting population democratic bodies develop mediating institutions to ensure that the general population maintains an avenue for effective participation in the policy making process. One such institution is representation, which allows citizens, through their elected representative, to continue to participate in the legislative process. Such intermediary participation, however, can be effective only to the extent to which the population has access to their elected officials. While emergency management may not have much of an effect on voter participation, it has, no doubt limited resident access to those individuals who have decision-making capabilities. As I argued previously, the very fact that local authority has been consolidated from multiple elected officials to one state appointee limits the ability for residents to directly and indirectly contact city leader(s). Under such circumstances, residents have but one individual they can appeal to address their demands. This, in turn, limits residents’ ability to access those

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24 Under emergency management, considering authority has been consolidated, this would primarily be the EM.
individuals (or individual, in the case of the EM) who are vested with decision-making authority. Aside from the issue of consolidation, however, is the actual availability of the emergency manager. As one Detroit activist explained, “You can't catch up with the guy. He is never in his office. We tried to go have a delegation in the city council building, but he's never there.” Alternatively, he portrayed city council members as being highly accessible and willing to participate in their organization’s events. “The city council,” he explained,

> We have them on speed dial…. If you need something, call a city council member, they will be there. We are having a fight with [a Detroit business] right now… it closed recently and reopened under new ownership. When they reopened, they opened as non-union, which is crazy. So we actually did a delegation there and we have two city council members there with us, so it is harder to put us out. I think we got our point across.

Additionally, while city council meetings are at least twice a week and include a section for public comment (although public comments are often restricted by a time limit), PA 436 requires the EM to hold only one public meeting which is to occur within 30 days of the EM submitting the financial and operation plan to the state. The statute does not include any guidelines concerning how the EM is to conduct the meeting, but instead explicitly states, “This subsection does not mean that the emergency manager must receive public approval before he or she implements the plan or any modification of the plan” (PA 436 Section 11, Subsection F4). The timing of the meeting—occurring after the formal financial plan has already been submitted—and the explanation regarding public approval makes it clear that public participation and input is inconsequential. The meeting, instead, seems to serve as an informational meeting rather than a public deliberative forum. Nevertheless, the

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25 For reasons of confidentiality, I cannot provide specific information regarding the organization this particular interviewee works for. Generally speaking, it is a Detroit worker’s organization.
initial, required public meeting in all three cities drew unexpectedly\(^{26}\) large crowds. In Detroit, the venue where the meeting took place was not large enough to hold all Detroit residents who attended (Wattrick 2014). Similarly, a Pontiac elected official recalled a large crowd turning out to the public meeting of the city’s first emergency manager, Fred Leeb, saying, “The gallery was packed because everyone wanted to hear what he had to say.” Emergency managers in Detroit and Pontiac held no other public meetings except those explicitly required by the law. Hamtramck EM Cathy Square, alternatively, has held seven public meetings/hearings since the mandated meeting, held on September 4, 2013. Upon inspection of the public meeting minutes, however, it is clear that the meetings were not of the variety one would envision when seeing public meeting minutes posted. Table 7 provides details regarding the public meetings and hearings. Not including the first meeting, all subsequent meetings/hearings had an average length of 5 minutes. None of the four interviewees from Hamtramck had heard of any public meetings being held by Cathy Square. When asked for any insight into why some of the meetings might be so short in length, on Hamtramck elected official responded,

\[\ldots\text{probably [because they are at] like 10'o'clock in the morning on a Tuesday or a Wednesday, when people are at work. She does not take well to public input... No, as far as I know, she is only holding meetings that she is required to hold, for one reason or another, 6 months, or 90 day, or whatever. Presentations of her plans or if there is something that she is doing that requires a public hearing, and she will hold a public hearing at in convenient time of day.}\]

A Hamtramck resident and activist, however, did explain that the emergency manager left portions of Friday (each week) open for meetings with the public, but not did describe his one experience meeting with her in positive terms. In contrast to the

\(^{26}\) As described, the chosen venue was often too small to hold the number of residents who came to the meeting, indicating that city organizers (on behalf of the EM) were expecting smaller crowds
availability of emergency managers through public meetings, the TAB in Pontiac holds meetings once a month in accordance with the Open Meetings Act, MCL 15.261 (TAB Rules of Procedure, Section V.), which dictates the necessity for the meetings to be open to the public and open for public comment. However, the board’s rules of procedure mandate a two-minute time limit on all public comments, while most city council meetings allow for five minutes. Thus, it appears that the TAB, in contrast to an EM, allows for greater access and participation by residents, though this does not necessarily translate to a greater degree of ultimate influence.

Layer 2: Participation of Elected Officials

While public meetings by the emergency manager in each city are severely limited, resulting in a lack of access by residents, city council meetings continued
with the appointment of an emergency manager. The content of city council meetings was noticeably altered and shortened with the appointment of an emergency manager and the resulting limits placed on the elected councils’ authority. For instance, comparing Hamtramck’s city council meeting minutes prior to the appointment of an emergency management and directly after the appointment of an emergency manager reveals in the latter period a noticeable absence or severe reduction of both new business considered and public comment, indicating a limiting effect on the formal participation of both residents and council members. Specifically, for the 9 meetings directly prior to emergency management, the city council addressed an average of 7.9 new business items each meeting (which consisted largely of authorizations of financial agreements, amending of ordinances, and authorizing city purchases) as opposed to an average of 1.9 new business items considered after the appointment of an EM (which consisted largely of resolutions authorizing street closures/use of city property for special events and appointments of non-paid city positions).

Similarly, Pontiac council meetings turned largely void of substantive matters, and consisted mainly of motions to excuse councilmembers who are not in attendance and motions to approve the “journal” (i.e. meeting minutes) of the previous meeting. One noticeable delineation from this pattern was the August 22, 2013 council meeting, during which the “Resolution Concerning Executive Order S-334” (provided in Appendix A) was discussed and unanimously approved by the council. This resolution was a direct response to EM Lou Schimmel’s final EM Order before his resignation and the appointment of the TAB. Among other things, the executive order, which serves as a binding document under Public Act 436, provides the city administrator, Joseph Sobota (who was appointed by Schimmel) with much of the same power imbued in the EM position. This power includes acting exclusively on
behalf of the city on all financial matters, restricting city council and mayor actions, and requiring the mayor and city council to pass resolutions that will finalize many of the actions undertaken by the EM. Many of the residents and elected officials present at the meeting I attended in Pontiac commented that the city administrator (CA) position is basically equivalent to the EM position. The executive order, consequently, continues to restrict the participatory capabilities of the mayor and city council members.

Following the meeting that saw an uptick in activity, subsequent meeting’s content returned to what can be described as largely ceremonial in nature. While Pontiac city council meetings lack substantive agenda items as a direct result of the lack of authority elected officials retain under an emergency manager and the TAB, resident participation at council meetings continues to be robust (in contrast to Hamtramck meetings). Meeting minutes indicate anywhere from 7 to 19 public comments at each council meeting (although the content of those public meetings is not clear from the minutes). During the period under analysis, then, it appears that resident participation as measured by the number of public comments in council meetings continued despite emergency management. It is unclear what accounts for the noticeable difference between resident participation in Hamtramck and Pontiac. Council minutes analyzed for Hamtramck included the period directly prior to emergency management and directly after the start of EM Square, while the minutes analyzed for Pontiac included the final months of EM Schimmel and the first several months of the TAB’s appointment. Thus, the two periods analyzed cover different stages of emergency management. In order to provide a precise comparison, it will be necessary to wait until Hamtramck’s EM steps aside and the TAB’s appointment begins.
Relatedly, participation and cooperation between the emergency manager and elected officials is an important element, however, at least in the case of Hamtramck, there is virtually no involvement on the part of the emergency manager in the city council meetings, or with elected officials in general. As one former Hamtramck elected official explained,

The EM just does what they want to do. They don't go to any city council meetings, they don't answer any phone calls, they don't meet with city council or the mayor and... you know, if the city council and the mayor asks them to come and answer certain questions. No response.

Thus many local legislative bodies seem highly disconnected from EM activities and interactions, not so much as a consequence of their lack of motivation, but due to the stripping of substantive authority and lack of involvement from and access to the emergency manager.

There also has been a lack of participation by city employees and their unions, as evidenced by recent protest efforts. “We the People of Detroit” a group comprised of city employees and retirees from various city departments, announced on February 24, 2014, a protest for May 2, “‘calling on 20,000 retires to come out’ and shut the city down” (Laitner 2014). However, the call to action was not met with nearly as much participation as organizers had hoped for; May Day activities were described in the local newspaper as involving “dozens” of protestors, and the May 2\textsuperscript{nd} planned protests fell short of “shutting the city down,” with news reports describing the crowd at 150\textsuperscript{27} (Strawser 2014; Robert Allen 2014).

This scenario is consistent with one Detroit city employee’s description of union and city employee tepid participation in response to emergency management, saying,

\textsuperscript{27} Although they did shut some main streets down for a short period of time.
It is a defeat, a major defeat. Because there wasn't any type of effective response, even the response I would like to see... it is a defeat. But I also look at it as maybe... one thing that struck me is the present workforce with age, and time, there has been so long since there was any kind of serious lessons learned by a lot of people, you know. Yes stuff has happened like Occupy and what not, but it has really gotten to the sectors...a bunch of people that are going to be around for a while, the workers that are going to be around for a while, this is going to be a major learning experience for them. I'm not sure what they are going to do because stuff has got to happen.... because it is really bad when all the big issues like [pension and staffing cuts are being decided] and you see 30 people out, 50, 90. For a half hour they may have 100 or 200 people but when the decisions on your pensions are coming down [there is no large response].

Thus, while he contextualizes the lack of response in a broader culture of inaction, he still has hopes for a larger amount of participation.

Community Participation

Despite the lack of access to emergency managers experienced by many residents and the muted response from city employees and the organizations that represent them, one of the main themes evidenced in the interviews was an increase in non-electoral participation by everyday residents in response to actions by the emergency manager and a general upsurge of community involvement. Reflecting upon the bankruptcy filing in Detroit, one activist said,

I think the bankruptcy has the effect of either you know firing up parts of the community about like we're broke but not broken, or you know its just another tool for people to not care and to be apathetic. But I think here at the local, we are very much like, we have to keep fighting.  

Correspondingly, one Hamtramck elected official explained that emergency management in her city might have a galvanizing effect at the community level, explaining,

In fact, I think so much of that happens at the grassroots level, and there is so much community involvement here. The city council, I think that people recognize that city council has very little power now and you know, people aren't coming to meetings, well it isn't as interesting since some people went away. Actually, if it weren't for emergency management, I see more great stuff
going on now, and I am more hopeful than I ever have been in the past. There is so much going on, not in any sort of official organizational capacity. Just folks getting together and making things happen. So, from that perspective, I don't think it has made people say, you know, oh I don't think I can do anything here. It may even help in some ways because people know that they have to rely on themselves and if they want to make something happen, they have to make it happen, and they can. I mean this is a city where it is small enough, and manageable enough that you can make things happen on your own.

She would go on to add, “There has been community push back on things the emergency manager has done--really strong push back. And I think more influential than push back from us, the elected officials.” She cited one key example, one that was brought up by all Hamtramck participants, involving the community garden aptly named “Hamtown Farms.” As explained by the four participants, Hamtown Farms started in 2011 under the city’s Adopt-a-lot program, in which residents could file a permit with the city to clean up and develop vacant, city-owned lots of which there are over 400 scattered throughout Hamtramck. Hamtown Farms originally spanned nine city lots, which average about 3000 square feet each. However, due to a pending racial discrimination lawsuit filed in 1968 and which named Hamtramck as the defendant the city, up until only recently, was legally forbidden from selling off the lots. The program was developed in order for residents to make use of and beautify the lots even though they couldn’t be purchased, while the lawsuit was still pending. Several Hamtramck residents, including Mike Davis, who is largely credited with first conceiving of the urban farm, adopted several city lots in 2011 and began cleaning and developing the vacant lots, pouring a large amount of their own money into the

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29 Hamtramck is often referred to as “Hamtown” by locals and observers alike.

30 The lawsuit was filed by a Hamtramck resident, who claimed the city had “violated the equal protection clause of the 14th Amendment because officials knew African Americans would be more likely to lose their homes than whites” when the city cleared three separate neighborhoods during the 1950’s and 1960’s (Angel 2012).
The racial discrimination lawsuit was finally settled in 2012, thus, freeing the city to sell the lots. Square, having been appointed EM shortly before the lawsuit settlement, had complete authority to do with the lots as she saw fit. As part of her initial financial and operating plan submitted to the state, she announced she would sell the 400 lots, estimating to receive $200,000 in revenue for the city. At that time, residents had developed more than a dozen other community gardens located throughout the city. As meeting minutes indicate, in one of the first public meetings held by Square, community members repeatedly questioned or objected to the plan to sell the lots “out from underneath” the community gardens.

Shortly after the plan was announced, Kowalski Sausage, who owned the lots and buildings adjacent to Hamtown Farms (and who was described by one Hamtramck resident and activist as never having shown interest in the lots before) offered the emergency manager $600 per lot for several of Hamtown Farm lots. Due to what was described as a swell of support for Hamtown Farms from community members, elected officials, and local, state, and national media, the emergency manager announced that the lots would be auctioned off, rather than sold directly to Kowalski. No one expected Davis and the other organizers of Hamtown Farms to be able to outbid the large sausage company. However, through a nationwide online funding campaign, mostly supported by Hamtramck locals, Davis and his partners were able to raise enough money to win most of the lots at the auction. They lost one parcel, which consisted of 2 lots on which about Hamtown Farms organizers had planted nearly 40 trees.

Hamtown Farms is just one example of increased participation and community support generated in response to an emergency manager’s decision that threatens what residents consider to be a treasured component of their city. Detroit EM Orr, who
originally insisted that everything in Detroit was up for possible sale, including the Detroit Institute of Art’s (DIA) large collection of million dollar art works, had to backpedal on his plan due to an immense amount of public outrage over the possible sale of what is largely considered Detroit’s crowning jewel. Both of these examples serve as instances where EMs have threatened a much loved city institution and prompted: a general uptick in community involvement. However, this involvement is not necessarily entirely related to the appointment of emergency manager. As one Detroit resident explained,

But now with people moving into vacant neighborhoods, I see all over the place, all the time, people buying houses and getting involved in their neighborhoods. I'm not only going to buy this house, I'm going to clean up the abandoned lot next to my house because I don't want to live next to a weed, overgrown lot. And I want a place for my daughters to run, and I want to send my kids to school. So, I'm going to get involved in the election because I have a stake. I want to maybe find out why the school system is so messed up, and get involved, volunteer. For the last few years I have been seeing all these little anecdotes, and I go to the polls and there is a line out the door to vote, and then I talk to poll workers and they say, "I have never seen this many people out to vote. I'm 72 years old and I've been to every election since 1951, and whatever" Just little things all the time, all these positive little things of growth. So I mean, overall, yeah, there does seem like there is a lot of grassroots stuff...I know that term is a little cliché. But it really does feel that way.

Similarly, Fred Leeb, Pontiac’s first emergency manager, requested in 2009 that the city council discontinue televising city council meetings, arguing, “that these meetings had become an opportunity for grandstanding and spreading negativism by a few members of the community” (The Pontiac News 2009). However, after vocal pushback from residents, he reversed his decision and ordered the meetings to resume televised broadcast.

However, not all participants expressed a similar sentiment, and it appears to be largely situational, especially in terms of Hamtramck. While one Hamtramck
former elected official recognized the surge of participation surrounding Hamtown Farms, she expressed concerns that emergency management had largely had a detrimental impact on overall participation in the city, explaining, “for people who get involved trying to build up the city, keep it clean, citizens patrol, block clubs and all these efforts by the local population to make it a town where people want to move to…[emergency management] actually discourages the people who are active in town.” Adding,

Jason Friedmann [the former Community and Economic Development Director], found all kinds of money…all these new houses were built, houses were rehabbed. And then the EM just says, "Oh we can't afford it." You know people give up and leave. And what good is that? So it’s a detriment to this democracy, in my mind, when people start to get disenfranchised and discouraged... they don't participate. The block club meetings have gone down from 30 to 40 people to, I would say like 2 or 3, in our area, because people are discouraged.

Thus, emergency management seems to have varied impact on participation. While widespread political apathy due to prolonged economic decline and loss of confidence in local government may be magnified in the wake of emergency management, the appointment of an EM does not appear to have a significant impact on voting behaviour and may, in specific instances, increase political and community participation. However, it is clear that access to emergency managers is severely limited (when compared to elected officials and even the TAB board) as is the participatory capabilities of elected officials (which continues to be restricted under the TAB). Other variables, outside of emergency management, are no doubt in play (as discussed in connection to voter apathy). Issues such as unemployment, the extent of organizational mobilization, and specific decisions made by EMs (as seen with Hamtown and the DIA) play a role in determining the impact emergency management has on participation. Additionally, as we saw with the media’s coverage of emergency management (in connection with availability of information and transparency) the size
of the municipality may play a major role in determining both the level of voter participation and the extent to which EMs allow greater participation from elected officials.

**Voting Equality**

A reduction in relative voting power\(^{31}\) of both residents and elected leaders was found during emergency management in all three cities. For residents, the impact of their votes are diminished mainly as a consequence of the curtailment of the voting power of those elected leaders they vote into office. As seen with participation, local representatives are barred from the majority of substantive voting decisions; while EMs may delegate certain responsibilities to council members or mayors (as seen with Mayor Duggan in Detroit), the fact remains that sole substantive voting power is shifted away from local leaders to the emergency manager. Additionally, the law provides little recourse for elected leaders should they disagree with an EM’s decisions. The loss of voting power continues after the appointment of the EM and into the tenure of the Advisory Transition Board (TAB), as seen in Pontiac.

*Layer 1: Selection of Representatives*

Regardless of levels of participation, the comparable effectiveness of resident’s votes in cities under emergency management versus cities not under emergency management is clear. Residents in cities currently under emergency management or soon to be, have no guarantee that the city leaders they elect will have any role in policy decisions made at the local level. This is most certainly the case in all three cities examined here. Under emergency management local elected officials may, at times, still be able to impact political decisions (as seen with Mayor Duggan

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\(^{31}\) That is, how much weight is given to the votes of residents and elected leaders and how much impact do their votes actually have in determining final policy relative to residents and leaders in cities not experiencing emergency management or relative to voting power during periods of “normal” functioning.
Thus, while it may not be precise to say that under emergency management citizens’ votes “do not count” their impact is clearly reduced. This is a result of the curtailment of elected leaders voting power in terms of policy decisions being made on behalf of the city. The language of the EM law states, “an emergency manager shall act for and in place and stead of the governing body and the office of chief administrative officer of the local government…and shall have broad powers in receivership to rectify the financial emergency…. This usurpation of power is further explained, in an equally broad fashion, in Detroit EM Order No. 3: “Public Act 436 prohibits the Mayor or City Council from exercising any powers of those offices excepts as expressly authorized by Public Act 436 or as may be authorized in writing by the Emergency Manager and subject to any conditions required by the Emergency Manager.” Thus, whether elected officials have any voting authority on substantive matters is completely at the discretion of the EM.

Layer 2: Local Legislation

As was shown during the discussion of city council meeting content, the breadth of control elected officials actually retain over substantive decision-making is severely reduced and largely relegated to ceremonial tasks and decisions. As one Hamtramck elected official explained,

We have fewer things to consider [during city council meetings]. We don’t look at the financials anymore. We approve street closings for a festival, here or there, or things like that, or we make appointments to commissions, and things like that.

One of the main tasks of city councils and mayors is the hiring and firing of city employees, specifically department heads or other main administrators. Each Hamtramck participant I interviewed brought up one specific personnel decision made by the EM, Cathy Square: the firing of Hamtramck’s Community and Economic Development Director, Jason Friedmann. In the eyes of city officials, the directorship
of this agency is a very important position. One former Hamtramck elected official explained the firing, saying,

We had a Community and Economic Development Director that was awesome! Jason Friedmann. Just the best that you would want on your team. Tremendous. The state was trying to steal him; the county was trying to steal him. Other cities were trying to steal him. And he made a commitment to Hamtramck. He moved here, he owns property here. He made a commitment to stay for 5 years, and the EM fired him.

All interviewees cited this decision, and the EM’s sole decision-making power, as a detriment to the city. After firing Mr. Friendmann, Cathy Square consolidated his position with another (as outlined in EM Order No. S-003), as part of a more general attempt to severely reduce the number of city staff.

Beyond this, many elected officials argued that they have little recourse against the EM, which is particularly problematic in cases where they believe the EM should be replaced or decisions he or she is making should be investigated. As one Hamtramck elected official explained,

There's virtually no oversight by the state, and if there are problems with the job that the emergency manager is doing, there is really no recourse for the elected officials, and in fact, in theory there is, you can appeal to the state, you can write letters. But it doesn't matter. You are the problem, the elected officials are the problem, and that's the way they see you. So any kind of issue that you have with how the law is working or being enacted in your city, you are a whiner and it is all your political expediency, or self-interest. There is given absolutely no legitimacy to legitimate claims by the city. The emergency manager can basically do whatever.

In August of 2012, the Pontiac city council voted, by unanimous resolution, to reclaim their stripped voting authority. Mayor Jukowski, who at that time was working as a consultant for the EM argued, “If council wants to remove Schimmel, they should go to court” (Wisely 2013), suggesting that the only type of recourse elected officials have available is to file a lawsuit. This path is unrealistic, considering the EM in each city, very early on, hired new lawyers to represent the city who would be unlikely to
seek to strip power from the person who appointed them. Mirroring this, one Hamtramck elected official, addressing the EMs refusal to allow her to meet with the city attorney, explained, “I think we could challenge that in court. But who is going to pay for it? We can’t authorize any spending at all. Who is going to represent us? The city attorney who is being paid for and hired by the emergency manager [Cathy Square] got rid of our city attorney who was friendly to us, first thing, and friendly to the city.”

As has been seen with Pontiac, after an emergency manager’s appointment expires, the city council and mayor do not necessarily regain control, despite what the governor and others have claimed. The EM, before leaving, constructs a 2-year budget, the implementation of which the TAB oversees and which must be followed by the city council and mayor. Thus, the council’s voting powers, especially in terms of any matters dealing with financing, does not technically resume after the 18-month EM appointment. Furthermore, as Schimmel indicates in the MacKinac Center for Public Policy interview,

…The [EM] law now provides for a Transition Advisory Board that meets monthly. I currently serve on that board in Pontiac now. For the first two years, we oversee the budget that the emergency manager creates as part of the departure plan. Then after two years, we continue to oversee the budget that the mayor and council put together from that day forward. So the law now provides for oversight powers to ensure that what we’ve done in Pontiac is not lost like it was in the previous two cities I served in (emphasis added).

Due to the appointment of an EM, then, most elected official voting power is lost for the 18-month EM appointment, the following 2-year budget period, and an undetermined amount of time thereafter. Thus, PA 436 does not in actuality limit the amount of time a city is placed under emergency management, as was argued by the governor and supporters of the law. Substantive voting authority continues to be out of local control for an unspecified period.
Relatedly, the voting options made available to elected local leaders after passage of PA 436 in principle allowed elected officials to retain some voting authority, at least in terms of whether or not an emergency manager is appointed to oversee a city’s budget. Hamtramck was the first municipality declared to be in a financial emergency following the passage of PA 436, and thus, the first municipality authorized to choose between the four options outlined in the law. Hamtramck’s city council unanimously endorsed the appointment of an emergency manager to the dismay of other city leaders and residents. As one Hamtramck elected official explains,

What happened in our case, this time, is city council wanted to basically change the way the fire department is organized, one way or another. So they wanted someone else to do something to the fire department…. So they actually asked the state to come in…. So they came in and did the review. When they came out with the finding that we were in a financial emergency, the council did not ask for an override, for a review, or anything like that. So they didn’t fight it at all. And they didn’t even consider any other options…So an emergency manager was basically able to waltz in. They just wanted someone else to do the dirty work. And now they are crying about it.

A former Hamtramck elected official\(^1\) similarly recalled the decision, explaining, “…we had done all the cuts that we could possibly do. There were only a few things that we didn't have the power to do. And basically it was to reopen the police and fire contracts. And the first contract was the one that I had mentioned before that the previous EM, Mr. Schimmel, had made the sweetheart deal with them.” Later she added, “So basically we had to call in the state because the state did have the authority to open up those contracts, and we didn't. So that is why the state was called in, and they were going to come in anyway because we couldn't balance the budget.” Thus, as explained by both interviewees, Hamtramck’s decision to vote for the emergency manager option was a consequence of decisions made by the previous EM, which caused long-term financial strain on the city leaving it with few other options to
rectify its budget. Unfortunately, while city leaders may have voted for an EM, they are now “regretting it,” as the interviewee phrased it, and have little to no recourse to correct the decision.

Lastly, it is important to note that written into the law’s bankruptcy option (outlined in section 26) and the consent agreement option (section 25) is a stipulation that the governor can reject a municipality’s decision to pursue them. In this case, the local leaders must choose one of the other three options. Additionally, in the case of the bankruptcy option, the governor has the option to appoint “a person to act exclusively on behalf of the local government in the Chapter 9 bankruptcy proceedings.” Thus, many elected officials argue that, in effect, three of the options are basically all emergency manager options.

As a result what little voting authority elected figures do retain under emergency management is often limited. This in turn, further minimizes the voting equality of residents under emergency management in comparison to those not under emergency management. Additionally, PA 436 does little to provide elected officials with greater authority than its predecessor PA 4. The voting power given to city leaders following the determination of a financial crisis (consent agreement, bankruptcy, a neutral evaluation, and emergency management) is often a false option, as described above. Likewise, the 18-month limit of emergency managers does little to ensure that elected leaders regain voting authority after the EM’s appointment; because of the 2-year budget stipulation and the undetermined duration of the TAB appointment (which continues to have final authority in all financial matters), voting equality continues to remain an issue long after the EM declares the financial crisis rectified.

**Congruence**
In an ideal situation, had all the criteria for democratic governance outlined by Dahl been met it would be reasonable to expect that final policy decisions would reflect the will of the majority of residents. While this outcome is difficult to detect with a limited number of interviews, responses indicate that the policies and decisions produced by the EMs have been met not with a consensus of opinion, but, rather, with a diverse range of responses from residents, city employees, and elected officials. The most contentious and oft-cited debates, center on adjustments to collective bargaining agreements, the privatization of city services, and the unloading of city assets.

For Detroit, in terms of the two collective bargaining agreement adjustments for city employees (especially in terms of pensions and other benefits) pursued by Detroit’s EM, both activists I spoke to were in staunch opposition. The bargaining adjustments have been the main point of contention for many public workers and the organizations that represent them. As such, one Detroit former city employee (who’s pension would potentially be affected), when asked whether he agreed with the decisions Kevyn Orr was generally making, replied,

Well he is [short sighted]. Well… get rid of the long-term debt. That's a good thing. Everyone can agree on that. But [a portion of] the long-term debt is something that [many people] depend on. Because who's going to attract an employee if there are not benefits? Detroit is never going to get any quality employees again. Ever.

Thus, his concern was not only with the fate of his own pension, but the long-term impact cuts to public employee benefit packages would have on the economic viability of the city. In late April 2014, it was announced that a tentative deal was reached between Orr and over a dozen unions, including the Coalition of Detroit Unions, which represents more than 3,500 city workers, and approved by U.S. federal judge Steven Rhodes (Bomey, Heims and Guillen 2014). However, the details of the
deal have not yet been released to the public. As a result, it is difficult to gauge public reactions to the agreement.

Two other main areas of contention have been the issues of privatizing city services and the selling of city assets, which came up often during the interviews. As one former Hamtramck elected official\(^2\) argued,

> I'm not convinced, like the emergency managers are, that rolling stuff back to the private sector, that the private sector will do things better. Because there is a point where you can't make any more profits. And that is the problem with privatizing. And one of the narratives of the emergency manager is that many of the services that the city does needs to go to the private sector. You know, we tore a lot of that down that Lou put in place…. Now, [Cathy Square] has fired all the code enforcement officers who lived in town. Again, Lou had done the same. [He] brought in a private company who didn't do the job, and that is why we got rid of that company and brought back the locals. Now we are back to a private company providing that service. And I don't know what else she has privatized. That is a big one. When you have code enforcement officers who live in the city, they are actually going to know where… I can call them up and say there is a problem at McKay and whatever, and they know what that is.

Both he and a current Hamtramck elected official insisted that privatizing city services also had the effect of reducing both the amount of employment available for residents, and the amount of business for the city. (These interviewees argued that city employees, who live in the city, are much more likely to spend their money within the city limits than employees who work for an out-of-town contractor). More specifically, this official explained, “[Cathy Square] did a contract with the police and fire, and fired everybody that she didn’t like, and gave the raises to people who kissed her butt, whether they could do their jobs or not. And [she] ran away from every controversial and difficult decision, and now she is ready to go.” As evidenced in her quote, overall, she does not agree with the decisions that have been made on behalf of the city.

On the issue of selling city assets, a Pontiac elected official, referring to the three emergency managers appointed to her city, said, “they sold everything. There is
nothing left.” One of the most oft-cited examples of an EM selling a city asset (and one brought up during my interview with the elected official) is the first EM’s decision to sell off the Pontiac Silverdome for just $583,000. Alternatively, the arena had cost the city $55.7 million dollars to construct. Though the arena was sold in 2009 it has yet to be redeveloped or cleaned in any way. When I visited it in October of 2013, most of the roof was gone and Mother Nature appeared to be reclaiming the entire structure and the parking lot. Recently, it was announced that the company that bought the arena was auctioning off much of the interior, including all 80,000 seats (Muller 2014).

Similarly, one former Hamtramck elected official, speaking of Lou Schimmel’s almost six-year tenure as Hamtramck EM (starting in 2000) argued,

...He spent money on things that the locals probably would never have agreed to and the local officials wouldn't have done. He renovated city hall... like that was something that really needed to happen. Like we really need to spend money on that when we were broke. He changed the center of town and took away parking spaces and made those bump out things at the beginning and end of the block where the cement comes out, and it forces cars to be in one lane and then there is parking. People were not happy about it. He spent a lot of money on it.

As evidenced by the fact that many of Schimmel’s decisions were reversed by the city council after he left (and something the Hamtramck elected official, quoted above, said will probably happen again after Cathy Square leaves), Hamtramck’s city leaders did not generally agree with his approach or the specific decisions he made. In Pontiac, elected officials seemed to have a similar dissatisfaction for many of Schimmel’s decisions, as well as their previous two EMs. As Pontiac city councilman Kermit Williams argued, referencing the austerity approach taken by Pontiac EMs, “They aren’t creating revenue. You can’t just cut your way out of a deficit” (Abowd 2012). Along a similar vein, at the Pontiac city council meeting I attended in March, Mayor Waterman, referencing decisions Lou Schimmel and the TAB had made,
passionately declared, “In a number of instances, our city charter has been treated like kitty litter.” As most officials and residents consider the city charter close to sacrosanct, like Mayor Waterman, many interviewees expressed their disapproval over the EM’s seeming disregard for what some called their local constitution.

Additionally, as discussed earlier, Square’s initial decision to sell the city lots “out from underneath” Hamtown Farms was met with much resistance from residents and elected officials alike. It could be argued that her decision to put the lots up for auction, and Hamtown Farm’s victory are examples of participation leading to enhanced congruence. However, interviewees explained that Hamtown Farms ended up paying much more for the lots than they would have had there not been an auction. Furthermore, many of the residents who had developed city-owned lots, but were not able to raise enough money to purchase the lots in the auction, may not be able to continue to use the lots for urban farming/gardening purposes despite their unsold status. It is likely that had the EM not decided to sell the lots, local officials would have continued the Adopt-a-lot program, considering it was a program generally supported by most residents.

While it seems that many of the decisions made by Pontiac’s three EMs and Hamtramck’s two EMs did not meet with the approval of residents and elected officials, with regard to residents of Detroit it is difficult to ascertain the level of congruence. One Detroit resident explained,

The guy is just restructuring our finances. He hasn't done anything that has been controversial to me, on a day-to-day basis…. Everything seems to be getting better. I mean, what's the big deal, really. Maybe that is a bad attitude to have, but that is the reality of it.

Similarly, a Detroit city employee concluded,

…[Orr and his team] are doing a reasonable job. Given they are devils in their own right, they are doing a rather astute [job in a] reasonable way, and they are trying, and the federal bankruptcy judge, they are actually trying to
moderate this. They are not talking about completely driving people's faces into the dirt… I mean like, on the other side of it, it is possible they could look relatively successful. No one is going to bring this city back anywhere near where it was. And a lot of people are going to lose out; it’s hard on people. But I think they are making moves to bring some of the core of it back.

Thus, the decisions made by Kevyn Orr, as opposed to EMs in the other two cities, seem to be less controversial. The findings and discussion in previous sections may shed light on this differing level of congruence. Firstly, the increased media scrutiny placed on Orr has resulted in him being pressured to justify many of the decisions he is making, unlike the other two cities where EMs are not subjected to much media scrutiny. Second, and possibly as a consequence of the increased scrutiny, Orr’s agreement with newly-elected Mayor Duggan has been perceived by many as signs of greater cooperation and an increased sense of control on behalf of residents over the future of their city. Third, the bankruptcy proceedings, which have shifted some authority away from the EM and to the bankruptcy judge, may help to partially eliminate the perceived “guilt” of Orr when decisions are made that are contrary to the public’s opinion (such as the reorganization of union contracts, which have, in large part, been mediated by Judge Rhodes). Lastly, Detroit, more than the other two cities, have experienced extreme city government corruption (most notably with the case of former Mayor Kwame Kilpatrick) and the severe and prolonged deterioration of the city as indicated by high crime rates, thousands of abandoned buildings, inoperable streets lights, etc. Thus, Detroit residents may be more open to the necessity of emergency management. This is not to say that Detroit residents and elected officials have completely agreed with Orr’s approach or decisions (and employee organizations have certainly not) but there was most certainly a noticeable difference in the level of acceptance.
However, a recent decision by Orr has sparked intense debate both within and outside Detroit. According to the Detroit Water and Sewerage Department (DWSD), “of the nearly 324,000 Detroit water and sewerage accounts, half are overdue” (Ferretti and Pardo 2014). The large amount of money owed to the city prompted EM Orr to approve the DWSD to resume water shut offs. Between March and June of 2014, the DWPD sent out 46,000 shut-off notices to Detroit customers, 4,500 of which ultimately ended with actual water shut-off (ibid.). Protests in Detroit, which include residents and human rights groups, have been relatively constant during that same period of time, with opponents of the decision filing complaints to the United Nations’ Office of the High Commissioner for Human Rights (AlHajal 2014). However, it is difficult to determine how much of the opposition is from Detroit residents versus activist organizations outside the city.

The recent water shut off controversy demonstrates the overall difficulty of determining to what extent a majority of residents either agree or disagree with Orr’s decisions, given the range of issues being pursued. Furthermore, as the Detroit city employee suggests, how the public ultimately views the policy decisions of EMs, and thus the degree of congruence, may largely depend on these cities’ ability to recover from economic crisis and restore city services to an acceptable level. If Pontiac and Hamtramck’s journey thus far are any indicators, it may be a long time—and possibly another return to emergency management—before we know.

32 Orr and the DWPS argue that water shut offs are a common practice with overdue accounts that are normally stopped during the winter. However, the amount of water shut offs planned for this spring are significantly higher than any other previous year.
DISCUSSION

As of June of 2014, four Michigan cities are under emergency management (Allen Park, Detroit, Flint and Hamtramck), three are currently operating under a consent agreement (Inkster, River Rouge, and Royal Oak Township), three have transitioned out of emergency management and are currently being overseen by a transition advisory board (Pontiac, Ecorse and Benton Harbor), one will be receiving an emergency manager shortly (Lincoln Park), and another is under financial review (Highland Park). Thus, for twelve Michigan cities, and more than one million residents, emergency management is real and palpable. The intent of this study has been to provide an in-depth analysis of the impact emergency management has had, and continues to have at the local democratic level. Although assisting in contributing to an understanding of Michigan’s EM law(s), previous research has been both methodologically and theoretically limited. I have attempted to correct for these limitations in three main ways: 1) I have expanded the conceptualization of democracy beyond electoral dimensions, by grounding the study in Dahl’s five criteria for a democratic process, addressing the issue of congruence, and developing a 2-layer model of local democratic processes, 2) My methodological approach includes multiple data sources (both qualitative and quantitative), that include in-depth interviews with individuals directly affected by emergency management, and 3) The design of this study provides various analytic comparison points: between cases (Pontiac, Hamtramck, and Detroit), across multiple versions of the law (PA 72, PA 4 and PA 436), across several stages of the law (pre-EM, emergency management, transition advisory board, post-EM), and between differential city size and population demographics. The findings suggest Michigan’s specific policy course has impacted local democracy in several important ways.
**Congruent Impacts**

Several similarities between the three cities and multiple versions of the law were identified based on Dahl’s five criteria, the issue of congruence, and the dual membership framework developed for this research. The similarities identified mainly stem from the nature of the law itself, and the specific clauses adopted within.

Firstly, each version of the law makes possible the complete exclusion of local elected officials as it pertains to substantive decision-making. Thus, secondly, by excluding elected officials, both residents and their representatives lose the majority of their control over the agenda of the city: elected officials have very little say over the course set by EMs and residents due to EMs being appointed and not elected, lose their ability to select from alternative agendas (by voting for candidates) and reject those agendas pursued (by voting out incumbents). Instead, the EM law imposes the prioritization of budget-balancing considerations over other issues (such as economic development) resulting in EMs often adopting single-minded and short-term agendas for the cities they have been appointed to manage. Thirdly, EMs are under very little obligation, as stated in all versions of the law, to share information with residents or elected officials. The majority of interviewees cited lack of information and transparency as major issues stemming from emergency management. Beyond the required public meetings and the posting/sharing of executive orders, EMs are not required to provide reasons for policy decisions or provide continual information regarding everyday actions, which is normally ensured through open-meetings laws.

Fourth, there were several cross-city similarities identified in terms of effective participation: 1) Emergency management adds to an existing sense of apathy among residents, 2) However, emergency management does not appear to have a significant impact on voter participation, 3) Access to decision-makers is severely limited due to
the consolidation of authority under an EM, 4) Emergency management limits participatory capabilities of elected officials, most evidently seen in the shift in council meeting content from substantive to ceremonial action, and 5) Emergency management, at times, appears, paradoxically, to increase community activism, although to a varied degree, often as a consequence of controversial decisions made by the emergency manager.

Lastly, emergency management negatively impacts voting equality for both residents and local representatives. The law gives EMs exclusive authority to make final policy decisions, regardless of the preferences of voters or their elected local representatives. Thus, due to the fact that appointed EMs take the place of local leadership, residents and elected officials in EM cities, relative to those in other Michigan cities, have far less voting power. In other words, because local representatives have little if any control over the agenda and lose their ability to vote on local policy decisions, the relative impact of residents’ votes in EM controlled cities is greatly diminished. Similarly, city leaders and residents have very little recourse if they disagree with the agenda or policy decisions of EMs.

The similarities in impact noted above extend to both layers of the dual membership model of the democratic process. However, much of the effect emergency management has had on the local democratic process at the resident level (Layer 1) has come as a consequence of the effects to the legislative process (Layer 2). For instance, the exclusion, loss of control of the agenda, limited participatory capabilities and diminished voting power of elected officials directly and negatively impacts residents’ access to decision-makers, their own control of the agenda, and the relative voting power of residents in EM cities. Similarly, within a representative democracy, it is crucial that intermediary participation continues to take place in order
to ensure that the two layers of the democratic process do not become disconnected during non-election periods. As a consequence of emergency management, this intermediary layer is weakened, most evident when considering the sharing of information, transparency, and access to decision-makers. Thus, my findings suggest that Michigan’s EM law(s) negatively impact local democracy at all levels, as indicated through an examination of the three cities considered here. Additionally, the transition advisory board does little to alleviate these negative impacts.

**Divergent Impacts**

Most of these similar effects were directly connected to the nature of the EM law(s) and the clauses written within. However, the actual application of the law within the cities often resulted in different degrees of practical impact. Most notably, Detroit’s local democratic process has been less impacted by emergency management along a number of indicators and at various levels. Particularly due to the increased media scrutiny and the delegation of authority agreement between EM Orr and Mayor Duggan, Detroit elected officials have had greater inclusion, retained a greater control over the agenda, and have had a greater ability to participate in the legislative process. As a consequence, Detroit residents have retained more control over the agenda and their voting power has been preserved to a greater extent compared to residents in Hamtramck or Pontiac. This reduced impact is likely a consequence of the city’s size, notoriety, and racial history, which has resulted in EM Orr being under greater media scrutiny than the EMs in Hamtramck or Pontiac.

Additionally, the differences between Detroit and the other two cities may reflect the dispositions of the specific EM appointed to each city. Collectively,

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33 The TAB in Pontiac restored a slight greater degree of control of the agenda, voting power, and participatory capability to elected officials. Additionally, monthly public meetings held by the TAB seem to allow for an increased amount of transparency and access to decision-makers.
Hamtramck and Pontiac have been under emergency management for nearly 11 years,\(^{34}\) of which Louis Schimmel was EM for nearly 8 of them (6 in Hamtramck and 2 in Pontiac). Furthermore, Hamtramck’s current EM, Cathy Square, was hired by Schimmel in 2003, while he was EM of Hamtramck, as director of Hamtramck’s department of public works (DPW), and was again hired by him, for various assignments, while he was serving as Pontiac EM. According to the Hamtramck residents and representatives I spoke with, this relationship prompted Square to adopt the same strategies and agenda as Schimmel. As one Hamtramck elected official argued, “We may as well have Lou back…. She is pretty much just like, ‘What would Lou do?’” Thus, at least for those I interviewed in Hamtramck, Square’s tenure has been very similar to Schimmel’s. For all intents and purposes, then, Lou Schimmel has either directly or indirectly been responsible for the agenda set and decisions made for almost 9 of the 11 years both cities have collectively been under emergency management. This may explain a portion of the contrast identified between Detroit and the other two cities. However, Pontiac’s first two EMs, Fred Leeb and Michael Stampfler pursued similar courses of action as Schimmel (laying off city employees, selling city assets, and privatizing city services) and excluded local leaders to a similar extent. Thus, without a comparison of additional cities (with EMs not associated with Schimmel) it is hard to determine the exact extent of the impact particular EMs have on the criteria considered here.

Notwithstanding the impact of individual agendas, it is apparent that many of the differences noted are not consequentially connected to the particular EM appointed to the city: city size, demographics (such as racial make-up and history),

\(^{34}\) Hamtramck spent almost six years under emergency management from 2000-2006, and, currently, almost a year between 2013 and 2014. Pontiac spent four and a half years under emergency management, from March 2009 to August 2013.
bankruptcy filing, and the amount of media attention (which is tied to the size of the city) are not so readily susceptible to the actions of individuals. It is also apparent, as I have discussed, that emergency management has been far more detrimental to Pontiac and Hamtramck’s local democratic process. Thus, while Detroit may be the most visible case of emergency management (especially to individuals outside of Southeast Michigan) it is by no means a prototypical case. Seeing as the other cities currently under emergency management (Flint and Allen Park) or a TAB (Benton Harbor and Ecorse) have populations much closer to Pontiac and Hamtramck, and either smaller African American populations or a much less racialized history than Detroit, it is reasonable to assume that their experiences will be much more similar to Pontiac and Hamtramck than to Detroit.

**Democracy: Ideal vs. Real**

The theoretical framework used in this study to analyse the impact of emergency management on local democracy is grounded in a conceptualization of *ideal* democracy. Dahl’s five criteria, the issue of congruence, and the 2-layer model conceived of for this project, all begin from the assumption of prototypical functioning. The comparative methodological approach—comparing across cases as well as between cases (“regular” local democratic functioning as opposed to emergency management)—was utilized in part as a method to ground the research in the real as opposed to the ideal. From this, we have been able to ascertain both similarities and differences between the three cases.

For many of the interviewees I spoke to, local democracy in their city has been less than ideal. Thus, any discussion concerning how a particular policy impacts local democracy must acknowledge the limitations of that democratic process, not in its

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35 Benton Harbor (10,038, 89.20%), Flint (102,434, 56.5%), Allen Park (28,210, 2.1%), and Ecorse (9,512, 46.6%), source: city-data.com
ideal form but in its actual form. Each city has, no doubt, faced serious economic and political challenges prior to an emergency manager arriving in town. As one Detroit residents explained,

Well the last 3 mayors that I have had an experience with, both living here and owning a business here.... they all talked a big game, but none of them had any real political power. I mean like, either they were completely ineffective against the supremely moronic city council or they were corrupt criminals themselves. So, when you look at our reign of the last few mayors we have had, we haven't had an effective mayor since '79. So we had Dennis Archer. The only thing I remember about Dennis Archer is that I owned a business in the city at the time during the great blackout of 2003...and the whole Northeast U.S. was out of power. And he came on the TV or radio and said, "I am very proud of Detroit and the Detroit police. There is no looting going on. Everything is great." And my business was being looted. So that was just a lie, right? That's all I remember about Archer. Then we had Kwame Kilpatrick, who I don't know if we really need to mention. So for 8 years our city was run by the mafia, basically. And then Dave Bing who was a really nice guy who had a lot of really great ideas...total optimist, just had zero effectiveness. He just didn't do anything. He talked about what he was going to do. So there is a lot of cynicism with our leadership.

Similarly, one Hamtramck elected official, describing issues with local elections in her town, explained,

I think there is a problem overall (and its probably happening everywhere but here it is really irritating) [concerning] who gets elected. It’s not necessarily people who are qualified…. People, who are sane, even. People who even understand the fundamentals of local government. People are getting elected for the wrong reasons: who they are related to, what their ethnic background is. People have gotten elected because they are Bengali; people have gotten elected because they are white. It happens both ways. No other reason. No other reason.

Thus, local democracy in each city prior to the appointment of an emergency would fall short of the ideal process envisioned in Dahl’s criteria. Similarly, and possibly as a result of the shortcomings relevant to the criteria such as effective participation, the local legislative process was not producing policy congruent with residents’
preferences.\textsuperscript{36} Thus, for many residents, especially in the case of Detroit (due in large part to the corruption of Mayor Kilpatrick) the negative democratic impacts of emergency management may not necessarily be viewed as detrimental, especially if they are accompanied by what can be perceived as increased efficacy.

**Democracy: Instrumental vs. Normative**

In this vein, the debate surrounding emergency management is embedded within a larger dispute concerning the primary purpose of a democratic government: to reflect the majority will of the voters, or the ability to effectively address and solve problems. While these are not necessarily mutually exclusive, policies and decisions that reflect the majority will of voters may not always lead to the most effective outcomes. This debate is at the heart of Dahl’s democratic dilemma—the trade off in large-scale democracies between participation and effectiveness—discussed in the theory section of this paper and Jürgen Habermas’ (1997) seminal work, *Between Facts and Norms*. Thus, the debate represents two approaches to democracy: the *instrumental* approach (which is primarily concerned with issues of efficacy and problem-solving) and the *normative* approach (which is primarily concerned with deliberative processes leading to outcomes that reflect the values and preferences of residents). Dahl’s 5 criteria and the congruence between resident preferences and policy outcomes clearly represent a more normative approach to democracy.

However, for residents, especially in Detroit, where emergency police and fire response times sometimes extended into hours (versus minutes), trash was often not picked up for weeks on end, and crime became rampant, the level of city services has often become so low that normative considerations become irrelevant in their eyes. One Detroit resident explained this view, saying,

\textsuperscript{36} The construction of Casino’s in Detroit being one prime example cited by an interviewee.
The way a lot of us look at it, in many of the conversations that I have had, is "Great, we're bankrupt, now everyone can just get passed it. Okay, fine, Detroit's bankrupt, now what can we do to get money into the system so that we can get the lights turned back on. That's the metaphor for basically the whole thing. Talk to a lot of locals and they will say, "Yeah, whatever. When are the lights coming back on?" That's . . . the most visible, visceral symbol of everything that is wrong with this city. When the streetlights don't come on on your block, that's unsettling. And they haven't come on in like 8 years, you know. I don't care, you can call it whatever you want: EFM, bankruptcy, whatever, you get those streetlights turned on, now we can talk. But that's really kind of the attitude of most people that I know. Whatever. Its really power players at the top shuffling words and dollars around. The first person to get the streetlights turned on, they are the king.

For many residents, then, the process by which city issues are resolved is less important than whether those issues are ultimately resolved or not. Michigan’s emergency manager law is premised on this very proposition: emergency situations override democratic considerations. However, the policy course that the emergency manager law represents, and the specific actions undertaken by the EMs appointed under its authority, embodies a particular approach and philosophy regarding local government, and all government, more generally, that extends beyond emergency situations. That is, they represent the belief that local government, above all else, should be efficient and cost effective—i.e. should embody and prioritize an instrumental approach at all points in time. While the intent of the law is to specifically address municipalities experiencing financial crisis (and thus a focus on cost effectiveness may seem prudent), many of the decisions made by emergency managers in all three cities seemed to follow the motto, “cheaper is always better.” Additionally, how the law is written and the decisions made by emergency managers and the Pontiac TAB board, often sacrifice the more deliberative dimensions of the democratic process (the sharing of information/transparency and participation) and favour instrumental qualifications (such as efficiency of meetings, cost effectiveness of services and similar issues related to the saving of time and money). While
emergency management is temporary (although its exact time limit is undetermined), many of the decisions made by EMs will have far-reaching and long-term implications for the municipalities and their residents.

For Lou Schimmel, many of his actions as EM have been an intentional attempt to ensure local governments continue to adopt a more instrumental approach. During his two years in Pontiac, he privatized a staggering 20 city services. He explained his approach saying,

What is often not considered with contracting out services is the immense amount of time and money spent dealing with unions — in the contract negotiations, all of the time that the administrative staff spends on personnel problems and labor union negotiations, with grievances and arbitrations, that sort of thing. When that’s gone because you’re contracting out, it doesn’t necessarily show up on the balance sheet, but it certainly frees up time to spend on other efforts in running the city. The legal costs alone are staggering when you’re dealing with union issues (LaFaive 2014).

Here, we see Schimmel singular focus on time and cost efficiencies, not taking into consideration the more normative aspects of negotiating with labor unions and recognizing as legitimate their demands to play a role in decisions that fundamentally affect workers’ lives. In terms of setting Pontiac up for the future, Schimmel added,

I think the city is well set to continue contracting out into the future. Now that all of these contracts are in place, it would be difficult to go back to direct city operation. For example, we sold the city’s fire engines when we did that contract, and we even sold off the city’s public works department building, so it would be a challenge for the city to get back into that business. You’d have to have a lot of upfront money, and you would have to demonstrate that the cost of doing it yourself compared to the contractor would be at least equal or lower, which I consider at this point to be nearly impossible to do. So I see the contract city model staying in place in Pontiac indefinitely. And in my opinion, the citizens have accepted that and are very happy with the services provided today.

As made evident by his statements, Schimmel has been less concerned with the congruency of his decisions with the interests of city leaders, residents, and workers, and more focused on ensuring cost effectiveness; and he has made efforts to impose his particular vision of cost effective contracting on Pontiac indefinitely. He summed
up his overall philosophy regarding local government, saying, “I’ve always said that cities do not need economic development directors — just clean up your own mess and businesses will show up. That’s been the case in Pontiac, and I think a lot of it has to do with cleaning up the financial picture of the city.” This is consistent with the smaller government philosophy, seen at all levels of government: get ineffectual government officials and regulations out of the way and private businesses will be freed to efficiently rejuvenate cities.

However, it is important to note that this vision has not been ardently supported (and least not publicly) by Detroit’s EM, Kevyn Orr. In an interview with the Michigan Citizen, Orr, describing his decision not to sell Belle Isle, said,

In 2, 3, or 5 years when the city starts to come back, you don’t want the city to be diluted of all its assets. New York City didn’t have to sell Central Park [when they went into bankruptcy]. We are really trying to do this in a way that provides for the pensions, the human element… (Michigan Citizen 2014).

However, he added, speaking about development of the Detroit Riverfront, “Those are long-term goals. My goal is to balance the books.” Thus, at least publicly, Orr appears to be at least considering issues other than cost and efficiency, though, as he says, his sole goal is to “balance the books.” Again, Detroit, and specifically Orr, may not represent the “average” emergency management case. Other cities under emergency management have experienced large cuts to city government and city services, as has been seen in Pontiac, Hamtramck, and Flint which has seen four emergency managers in the past five years and its police force cut by more than half (Laitner et. al 2013). Similarly, in both Ecose and Benton Harbor, reducing the city workforce and/or privatizing city services were also key features of the emergency management agenda, although nowhere near the scale pursued by Schimmel. In each case, instrumental considerations were preeminent, a consequence, no doubt, of the guidelines and philosophy embedded within the emergency manager law.
Lessons Learned?

For a few of the participants I interviewed, the debate surrounding the EM laws may provide future lessons that can result in broader changes to the political process. For instance, one Detroit resident explained,

Yeah the democratic process hasn't really served us well. Every time we have ever participated in an election we have ended up.... you know I've been here long enough to have voted in 3.... 2 mayoral elections, and each time the candidates were not, you know, were not any viable choice. You pick the lesser of two evils. Why is no one stepping up to run for mayor? Why once we get a mayor, you know, some things like with the council seem so flawed, and the mayor has no real power, and the city council elected, why are they elected the way they are elected. .... So, you know, its kind of a weird microcosm, in that Detroit has showed the flaws of democracy, in a way. No system is perfect, and I know that this is a cliché, but we like to think that democracy is a perfect system, but sometimes I don't know that it is. I think this whole experience has kind of shaken that in me. Maybe democracy is not the fantasy it is supposed to be.

Tying the flaws of Detroit’s democratic process to the recent change in Detroit city council elections (from city-wide seats to mostly district representation) he added,

I think that one of the most positive changes that has happened is the city council being elected by district. This is the first time. And I think in the long run, when people look back on Detroit and this era that will have a more profound effect than the EFM or anything that we have done in the last 30 or 40 years. Because that for the first time makes me feel more represented. Whereas before, when they elected all the city council members at large, it didn't really matter who you voted for because the players that were involved were all being elected by their power base, not the people that they represented. So it was kind of like one big power struggle. It was basically an oligarchy. So I think in one sense, a more pure form of democracy has returned to Detroit, because of the way city council members are elected. But that is something that from a long-term perspective I am more excited about. The EFM, I think is kind of a consequence of our flawed city council system. It came to a breaking point. Something had to give.

Speaking on the lack of response to emergency management on the part of Detroit’s labor unions, one Detroit city employee partially echoed the above sentiment:

One thing that struck me is the present workforce with age, and time, it has been so long since there was any kind of serious lessons learned by a lot of people, you know. Yes, stuff has happened like Occupy and what not, but it has really gotten to the sectors...a bunch of people that are going to be around
for a while, the workers that are going to be around for a while, this is going to be a major learning experience for them. I'm not sure what they are going to do because stuff has got to happen... I'm also kind of going, maybe it is a good thing the unions and community groups have failed so miserably coming up with a resistance and some formulas for it. Maybe it is a good thing because most of the people who were in control of it, it has weakened their grip on stuff. Maybe things need to collapse for something to get born out of it.

For some, then, Detroit’s tenure under emergency management has revealed longstanding defects of an ineffective local democracy and inactive workers’ organizations. Both interviewees described Detroit’s government and unions as institutions distorted by a consolidation of money and power. But both hope that the “crisis” situation will bring about greater change, regardless of the actions of EM Orr.

Interviewees in Hamtramck and Pontiac described similar sentiments. One Pontiac elected official lamented, “People don’t go out and vote. They take it for granted…. Most young adults have given up hope…. Maybe all of this was a wake-up call to the citizens of Pontiac.” Similarly, a Hamtramck elected official (quoted above in regards to community participation), noted, “I don't think [emergency management] has made people say, you know, oh I don't think I can do anything here. It may even help in some ways because people know that they have to rely on themselves and if they want to make something happen, they have to make it happen, and they can.”

Despite defects detected or positive changes that may stem from emergency management, the fact remains that while in emergency management, cities under an EM or TAB board experience a less democratic process even in comparison to the prior, democratically distorted city governments. For municipalities experiencing financial and/or governmental difficulties, and that may soon be considered for a state financial review, it will be up to them to decide whether the gutting of their local democratic process is worth the possible benefits. The efficacy of Michigan’s
emergency manager law is still up in the air. Out of the first three cities impacted by Public Act (PA) 72, two, Hamtramck and Flint, are both back under emergency management despite having both been declared “fixed” for nearly seven years, while Highland Park is currently under preliminary examination by a financial review team four years after being declared fiscally sound. It is impossible to say whether the new “strengthened” version of the law (PA436) will allow for more lasting effects; Pontiac will serve as the first example.

As seen in Michigan, during emergency financial situations fundamental elements of the local democratic process become collateral damage, justified by a belief that democracy is too slow and inefficient while emergencies call for quick and streamlined action. This situation encompasses a larger debate surrounding the question of whether crisis necessitates the temporary loss of rights; in the case of Michigan’s EM law, residents and elected officials lose much of their democratic rights normally afforded under law. The temporary suspension of rights may seem prudent—such as in the case of temporary martial law—but as this paper has argued, the impacts to the democratic process under emergency management extend beyond the appointment of an EM and into the indefinite tenure of a TAB board. Additionally, many of the decisions enacted by EMs have long-term impacts (as seen with Schimmel’s privatization efforts) despite EMs’ often short-term view.

With a more complete view of how PA 436 and its predecessors have impacted local municipalities and may impact them for the foreseeable future, hopefully we will be better able to evaluate whether Michigan’s policy course is the best option, or whether alternative policies that keep intact democratic elements such as inclusion, effective participation, accountability, and transparency, should be pursued. For many in Michigan, the fight against emergency management continues.
For others, the appointment of an EM is a necessary reaction to deep rooted and prolonged issues. It has been the intent of this research to provide a better understanding of what cities experience during emergency management and to what extent the local democratic process within those cities has been impacted. One interviewee, a Detroit resident and activist, perhaps sums up best the stakes involved: “We only keep what we have the strength to hold on to.” In many Michigan cities, the problems faced are real, as are the losses to local representation and democratic participation. It is up to residents and lawmakers in Michigan and elsewhere to decide if those democratic elements, even under crisis situations, are worth holding on to.
CONCLUSION

Limitations and Future Research

While I have attempted to incorporate a more thorough and detailed analysis of emergency management and local democracy, there remain limitations. Firstly, only three cities, out of more than 12, were considered here. Second, while in-depth interviews spanned all three cities and multiple identities (age, race, occupation, resident/activist/elected official, and socioeconomic status) a larger number of interviews would be provide a larger set of perspectives. Third, data sources such as voting records and government documents were collected where conveniently available, often resulting in the inability to proffer complete comparisons between cities. Lastly, I was only able to spend a combined two weeks in Michigan (one week in October/November of 2013 and one week in March of 2014). This limited the availability of instances of direct observation; the public meetings I was able to attend in-person allowed for robust data collection than is possible through indirect observation over the Internet. For instance, I was able to observe and hear more in-person than is allowed for by a stationary camera angle. As such, additional research is needed. A comparative analysis of a larger number of cities, additional interviews and more consistent voter data and city documents will add to the thoroughness and detail of the analysis undertaken here.

Contributions

It is the hope that this study will contribute to the academic literature that examines the impact of the Emergency Manager Law on local democratic processes, and issues of democracy more generally. Existing research has thus far been grounded in a law and public policy perspective that focuses on judicial rulings, the efficacy of policy implementation, and the historical context of legislative remedies. While an important
area of inquiry, such a perspective does not explore how policies aimed at addressing a city’s fiscal crisis impact the democratic process within the affected communities. Using a comparative case study method, I have attempted to draw upon multiple sources of data and thus allow for a more detailed and thorough examination of the law’s impact on citizens’ ability and motivation to participate, as well as on the availability and quality of information provided to residents. Essential elements, such as congruence and the discursive nature of the democratic process, often overlooked by prior research, were addressed through interviews and direct and indirect observation in an effort to incorporate residents’ opinions, their influence in the decision-making process, and how they voice approval or disapproval of policy decisions made under emergency management.

The dual framework model created for this research, which incorporated Dahl’s 5 criteria and the additional issue of congruence into a chronological conceptualization of the local democratic process, allowed for greater specificity during both the data collection and analysis phases. Specifically, the framework allowed me to conceive of the distinct processes and effects at the resident versus legislative level, as well as the inherent interrelationship of the two layers (especially as it applies to the intermediary level). Additionally, the framework made possible a greater degree of comparison both within and between each case. Within each case, I was able to specify impacts according to each criterion and each layer of the dual framework model, all of which could then be applied to a cross-case analysis. Although there was often not enough data to support a complete comparison at each level, future, more extensive research would benefit from adopting a similar framework model when analyzing similarly complex local democratic systems.
While the case study method does not allow for scientifically generalizable findings, it is the hope that this research, in addition to providing insight into the democratic process in the three cities under investigation, has identified areas that are in need of further study. It is unlikely that economic crises will disappear. Thus, a better understanding of governmental efforts to address them, and how such efforts impact democratic processes at various levels and along multiple dimensions in an ostensibly democratic political system will remain critical issues for the foreseeable future.
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APPENDIX

Pontiac City Council “Resolution Concerning Executive Order S-334”


WHEREAS, The City Council of Pontiac, Michigan has declared the existence of an emergency with respect to the need to authorize and clarify, Order No. S-334 Rectification of Financial Emergency under Act 436 of 2012; and,

WHEREAS, The City Council of Pontiac, Michigan that P.A. 436 references to finance matters does not supersede the Home Rule Charter, during a transition from Emergency Financial Manager (EFM), Emergency Manager (EM) and the City Administrator period from the date of August 19, 2013; and,

WHEREAS, The people of the City of Pontiac hereby provide for the establishment and continuation of their Municipal Government as set forth in the Home Rule Charter (Section 1.101 City Government); and,

WHEREAS, The City possesses the home rule powers and all other powers conferred by the Michigan Constitution and Law, the specific mention of a particular power in the Charter shall not be construed in favor of the city (1.103 General Powers); and,

(b) Upon introduction, the Clerk shall distribute a copy to each Council member and to the Mayor and shall file a reasonable number of copies in the office of the City Clerk and such other public places as the Council may designate, and shall publish a summary of the proposed ordinance in a newspaper of general circulation in the city together with a notice of the time and place for consideration by the Council; Thereafter, the Council may amend and adopt the proposed ordinance without further pre-adoption publication; and,

(c) The adoption of any ordinance by the Council shall require a majority of Council members serving; and,

(d) An emergency ordinance, which shall contain a statement of its urgency, must be necessary for the immediate preservation of the public peace, property, health, safety or for the usual daily operation of a department. An emergency ordinance may be adopted on the August 26, 2013 day it is introduced, publication of a summary thereof before adoption is not required, and an emergency ordinance may be given immediate effect (3.112 Ordinance Procedure); and,

WHEREAS, The City Council of Pontiac, Michigan is acknowledging an emergency exists, because the actions taken by the Emergency Financial Manager is in violation of PA 436 Section 141.1563, which is the definition of the Receivership Transition Advisory Board (see attachment); and,

WHEREAS, The City Council of the City of Pontiac, Michigan determined that:
(a) It is in the interest of the citizens of the City of Pontiac and the State of Michigan that there is a clear orderly transfer of executive duties, and responsibilities the term of office of the Mayor, and that there be an orderly transfer for the Legislative duties and responsibilities of this Council; and,

(b) Orderly transitions in the offices of the Mayor and Council must be accomplished to assure continuity in the execution of the laws, and in the conduct of the executive and legislative affairs of this local government; and,

(c) Clear consistent language is required to prepare for the official duties and responsibilities of the Mayor, Council, Law Office and EM; and,

(d) The failure to provide clear consist communication has caused a disruption in the continuity of the execution of the laws, and in the conduct of executive and legislative affairs of this local government; and,

WHEREAS, WHEREAS, WHEREAS, potential violation of the Home Rule Charter; and, potential violation of the Open Meetings Act; and, potential violation of P.A. 436; and, this document exercise the full authority of the Pontiac City Council to put on

WHEREAS, notice to the EM, Mayor of Pontiac, Michigan and other agents of the State to Cease and Desist immediately; and,

WHEREAS, The City of Pontiac Home Rule Charter May 3rd, 1982 Section 6.302 Emergency Rules in the case of an Emergency Declared in writing by the Mayor or Council may be given effect for a period not to exceed 60 days; and,

NOW, THEREFORE, BE IT RESOLVED, That the Pontiac City Council of the City of Pontiac, Michigan adopts this Emergency Declared Resolution.

BE IT FURTHER RESOLVED, That the Council of the City of Pontiac, Michigan determines that the circumstances enumerated in this document constitutes emergency circumstances, making it necessary that the Emergency Declared Resolution will go into effect immediately after the first reading.