## UNDERSTANDING THE DRIVERS AND BARRIERS TO FIRE DEPARTMENT CONSOLIDATION IN ILLINOIS

#### ROBERT HERRMANN AND AARON DESLATTE NORTHERN ILLINOIS UNIVERSITY

This study explores the drivers of and barriers to consolidation of fire department services within Illinois. Through interviews and reviews of archival documents, it considers consolidation efforts in four parts of the state that were motivated by a desire for service-delivery improvement, fiscal efficiencies and support from public unions. The findings offer lessons for municipal governments while also noting that state law does not appear to be conducive to consolidation, in part due to incompatibility with pension statutes and unclear statutory guidance. As a result, a general perception exists that the legal process for consolidation is, by design, difficult to navigate.

#### INTRODUCTION

Fire departments are one of the most recognizable components of a local government. They have expanded their functions from fire suppression, prevention and education into emergency medical services, water rescue, hazardous materials handling and technical rescue, as well as training for threats of active shooters, terrorism and mass-casualty incidents. Illinois is home to more local governments than any other state, and the number of both municipalities and special fire districts have increased over the last three decades, according to the U.S. Census of Governments.

Much like general-purpose local governments, fire departments and districts confront questions of overlapping resources and governmental fragmentation. Fire jurisdictions may have stations in close proximity, overlapping response areas and similar asset-specific investments such as ladder trucks. While almost all fire departments have accepted guidelines for maintaining certain response times from the National Fire Protection Agency (NFPA), the closest station or vehicle with the lowest response time does not always respond to an emergency because of jurisdictional territoriality. Citizens may wait longer for life-saving measures or actions that limit damage to property while the closest fire department personnel are in quarters. These issues have fueled a public discourse over functional consolidation of fire departments.

This article explores the drivers of and barriers to consolidation of fire department services in Illinois. Using a grounded theoretical approach to the research, this work investigates fire consolidation efforts through interviews with practitioners in four local jurisdictions, comparing the antecedent conditions that influenced both failed and successful consolidations. After examining current research into local government consolidation and the context of Illinois, we present a cross-case comparison of consolidation efforts and provide suggestions for policy design.

# EMPIRICAL EVIDENCE OF GOVERNMENTAL FRAGMENTATION AND CONSOLIDATION

Governmental fragmentation is the disbursal of political authority and service-delivery responsibilities among a constellation of cities, townships, counties, and single-purpose or special districts (Hendrick and Shi 2015). An empirical reality of this key feature of federalism in the United States is that once such authority is divided between public organizations, voters seldom elect to consolidate it again. According to the 2012 Census of Governments, Illinois leads the nation in the total number of local governments (6,963), a count of local units that is 35% higher than the second-ranked state, Texas (with 5,147 local governments). Illinois leads the nation in both the number of municipalities (1,298) and single-purpose special districts (3,227), while ranking second behind New York for the number of fire-protection districts (837 - a total that has witnessed minor fluctuation from 827 districts in 1997 to 841 in 2007). Table 1 displays the top 20 states ranked by the count of fire districts and shows the dispersed nature of Illinois' special-district landscape. While fire districts account for 74.6% of New York's total special districts, they account for roughly 26% of those in Illinois. Figure 1 displays the top categories of special districts in Illinois.

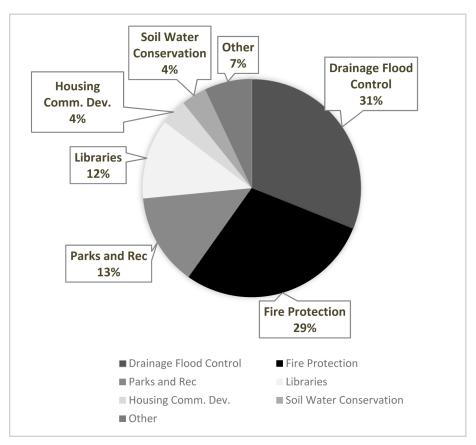
## TABLE 1

Fire Districts and Special Districts Totals by State

STATE	FIRE DISTRICTS	TOTAL SPECIAL DISTRICTS	FIRE DISTRICT (%) OF TOTAL	
New York	876	1174	74.6%	
Illinois	837	3227	25.9%	
Nebraska	414	1269	32.6%	
Missouri	375	1854	20.2%	
Washington	372	1285	28.9%	
California	360	2861	12.6%	
North Dakota	279	779	35.8%	
Oregon	271	1035	26.2%	
Colorado	260	2392	10.9%	
Montana	219	763	28.7%	
New Jersey	184	234	78.6%	
Idaho	158	806	19.6%	
Arizona	156	326	47.9%	
Kentucky	155	628	24.7%	
Texas	155	2600	6.0%	
Ohio	100	841	11.9%	
South Dakota	83	547	15.2%	
Arkansas	73	740	9.9%	
Connecticut	72	447	16.1%	
Wyoming	71	628	11.3%	
Source: 2012 U.S. Census of Governments.				

## FIGURE 1

Fire Districts Were the Second-Largest Type of Special District in Illinois



Source: 2012 U.S. Census of Governments.

Table 2 displays the top 20 states ranked by fire districts per capita, in which Illinois ranks 8th. States with far lower populations tend to be near the top. By this measure, Illinois has roughly 6.5 fire districts for every 100,000 residents, a level of fragmentation that is far less than low-population states such as North Dakota, Montana and Wyoming but more fragmented than larger states such as Florida, New York or Texas. This variety in vertical fragmentation (the proliferation of single-purpose or special districts) in Illinois complicates the legal framework for sharing services or consolidation of local units of governments.

## TABLE 2

Fire Districts Per Capita by State (Districts per 100,000)

STATE	FIRE DISTRICTS PER CAPITA		
North Dakota	41.48		
Nebraska	22.66		
Montana	22.13		
Wyoming	12.59		
South Dakota	10.19		
Idaho	10.07		
Oregon	7.07		
Illinois	6.52		
Missouri	6.26		
Washington	5.53		
Colorado	5.16		
New York	4.52		
Kentucky	3.57		
Rhode Island	3.32		
Vermont	2.55		
Arkansas	2.50		
Arizona	2.44		
New Jersey	2.09		
Connecticut	2.01		
lowa	1.96		
Source: 2012 U.S. Census of Governments.			

This legal landscape was examined in 2015 by the Government Consolidation and Unfunded Mandates Task Force (Task Force) chaired by Lieutenant Governor Evelyn Sanguinetti. The Task Force noted the high burdens that exist under current law for citizen-led referenda, and the Illinois General Assembly's history of tailoring consolidation-related legislation to specific local governments rather than for general application. Related to fire protection, the Task Force noted Illinois state law contained no citizen-initiative process for merging municipalities with fire districts (only for merging similar districts with each other). Among its 27 recommendations, the Task Force proposed standardizing referendum requirements for consolidation to all units of local government and allowing mergers of different types of governments. The recommendations have not been adopted.

While Illinois stands out for the number of units of local governments, the state's difficulties in spurring consolidation are not unique. Scholarly research on consolidation has identified a range of barriers to consolidation. This work has primarily focused on city-county mergers, examining either causal mechanisms for consolidation or evidence of whether such actions produced intended benefits. Evidence for the benefits of mergers has been mixed. Improving the effectiveness and efficiency of government service delivery is a prevalent argument for

consolidation among scholars and policymakers (Delabbio and Zeemering, 2013). Martin and Scorsone (2011) examined three communities in Michigan facing financial hardship from shrinking populations and reduced tax bases, concluding that consolidation reduced costs and generated savings when compared to neighboring communities. Goodman (2015) found counties that

merged experienced spending reductions, while Warner (2011) found local governments achieving greater economies of scale after consolidation. Yet, Martin and Schiff (2011) found no evidence that city-county consolidations improved efficiency, provided an economic boost or distributed services more equitably. Hendrick, Jimenez and Lal (2011) also found economies of scale were not gained through consolidation.

Functional consolidation, involving the merger of departments performing similar services or those with overlapping jurisdictions, is less common. Researchers have suggested fire district consolidation could potentially lower risks of property damage or loss of life via reduced response times (Chevalier et al. 2012; Rubado 2013). Leland and Thurmaier (2014) conclude that such functional consolidations may also be more politically feasible because they involve abdicating less authority to a regional agency. This is applicable to the fire service because municipal boards of trustees and fire administrators may be unwilling to give up control of their organization if restructuring occurs. These political barriers may overcome arguments for efficiency or effectiveness gains despite the ability to utilize and build on existing mutual aid agreements. Mullin (2008) found that consolidated organizations can experience greater expertise yielding better policies and more transparency. The research offers two obstacles to consolidation. First, cross-jurisdictional boundaries can limit how much the public interacts with government. Second, a special-purpose government entity runs the risk of being inefficient from having a singular objective.

## DATA AND METHODS

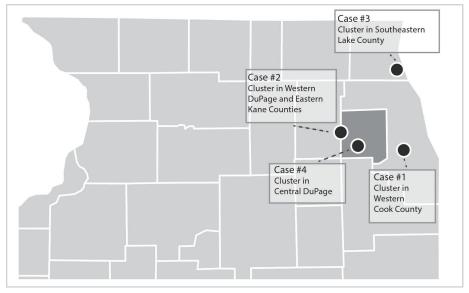
To examine antecedent conditions for functional consolidations of fire districts, this study uses a qualitative, exploratory approach to find common themes about the political, administrative and environmental drivers and barriers to fire department consolidation. This method of qualitative research has the ability to overcome measurement bias and an oversimplification of the data collected, which can occur if the context is lost. To avoid this scenario, the research focuses on four cases and attempts to identify generalizable conditions.

The grounded theory approach for this paper uses semi-structured interviews. This is the appropriate method of collecting data because the information comes from four individuals who have firsthand knowledge and experience with fire departments that attempted consolidation in four Illinois communities. The interviewees were selected because of their involvement in recent fire department consolidation attempts. The four interviewees were asked 13 questions designed to advance understanding of the motivations and barriers to fire department consolidation. The interviews covered perceived benefits and risks, stakeholder and labor involvement, and the legal framework surrounding consolidation attempts.

## FIRE DEPARTMENT CONSOLIDATION EFFORTS IN ILLINOIS

#### **FIGURE 2**

Consolidation Efforts in Northeastern Illinois



#### CASE 1: OPPOSITION FROM WITHIN

The first case involves six fire departments in Cook County – the City of Berwyn, Village of Elmwood Park, Village of Forest Park, Village of North Riverside, Village of Oak Park and Village of River Forest – that attempted to combine into a single department approximately 12 years ago. Scholarly research suggests collaborative efforts that require delegating authority may face greater difficulties when partnering localities are socially, economically and demographically diverse (Feiock, Steinacker and Park, 2009). Mostly older, residential areas within the inner rings of Chicago's suburbs, the six localities contained blends of commercial and industrial property, served ethnically and income diverse populations, and were staffed with different levels of career and part-time personnel.

The effort was hastened by the Great Recession in 2009, and, as revealed through interviews, fire department administrators felt compelled to "take the lead" in the negotiation process to help drive decision making. Benefits identified from the proposed consolidation included additional informationsharing, increased benefits to citizens due to cross-training of firefighter and paramedic personnel and reduced administrative overhead. There would be a decrease in administrative staff but no changes to unionized labor positions, which was key to garnering labor union support. Additionally, vehicles and stations would not move, but overlaps in coverage would change over time. The purchase of new vehicles would be based on the needs of the response areas. An interviewee stated fire department personnel and stations often will increase relative to population size and industrial or commercial growth within a community. This growth causes fire departments to expand their coverage as specified by National Fire Protection Association (NFPA) guidelines 1710 and 1221, which set response-time requirements and minimum staffing standards. Additionally, the accreditation process and Insurance Services Office (ISO) ratings tend to promote larger and singular fire departments.

Fire departments are often considered for consolidation because personnel work well together through the existing mutual aid system. However, consolidations have been derailed in the past as fire district board members changed, and administrative turnover infused departments with new personnel seeking to retain their autonomy.

Over a period of four to five months at the end of 2014 leading into the beginning of 2015, the six fire departments held two meetings to solidify consensus among department chiefs and personnel, but were unsuccessful. Participants noted the risk of losing institutional knowledge such as particular target hazards unique to each community and the potential of fracturing relationships between fire departments or elected officials. A lack of support for the consolidation came from subordinates who could lose the chance to be promoted. They in turn championed politicians who would not back the consolidation.

A final concern was how pension benefits would be impacted under Illinois law. Illinois enacted its first pension benefit for firefighters in 1849. According to the Illinois Department of Insurance 2015 Biennial Report, the state has approximately 300 suburban and downstate firefighter pension funds. The restrictive portability of the investments in these systems across communities makes it difficult to merge funds from an equity perspective because each potentially merging jurisdiction can be funded at different levels. Partners with pensions funded at lower levels could potentially be subsidized by those localities with higher funding levels. Ultimately, the participating communities cited these barriers as a justification for why the merger talks were put on hold.

### CASE 2: A CHANGE AT THE TOP, AND A CHANGE IN DIRECTION

In 2015, the Village of Carpentersville, Village of East Dundee, Village of West Dundee and Rutland-Dundee Fire Protection District in Kane County began pursuing consolidation. The municipal governments commissioned a study by Emergency Service Consulting International (ESCI) to enhance cooperation and ascertain the feasibility of the merger. Participants identified short- and long-term goals: enhanced collaboration, combined monthly training, relationship building, and, ultimately, the creation of a single fire department. Several benefits were identified: improved services derived from sharing equipment and a computer-based training program, efficiency gains for taxpayers through reducing maintenance costs, and a reduction in the number of administrative chiefs. The merger would also allow for the hiring of new firefighters.

Following the consolidation study, the three municipal fire departments received approval from their boards of trustees to form a committee that would include one elected official and one fire chief from each. The elected official acted as the liaison to the various boards, while the fire chief looked at areas where the fire departments could work more closely.

After the formation of the committee, the effort stalled following a change in fire department leadership within one of the agencies. Under the original vision, all three fire agencies would share a single chief, which was seen as a potential threat to autonomy from the three participants. The third organization was not in a position to participate, because the new chief had come from an outside fire department and was not up-to-speed on the consolidation effort. It was decided that two fire departments would move ahead with a shared fire chief concept approved in the summer of 2016. Opposition came from a fourth member agency of the consolidated dispatch center. That organization was not ready to commit to the consolidation despite existing mutual aid agreements, and was located within a mile of one of the participating departments with neighboring stations in close proximity.

Lastly, Illinois law governing mergers of fire protection agencies was found to be too cumbersome to navigate. In 2014, the Illinois General Assembly passed an act (SB 1681, the Regional Fire Protection Agency Act), which permitted the consolidation of fire protection services on a regional basis and the creation of regional agencies. However, the legislation does not allow mergers that create a single chain of command. The agencies pursuing the merger have lobbied state lawmakers to streamline this consolidation process. The consolidation has moved forward with two departments sharing a chief and building inspector and all four members of the dispatch center sharing a mechanic. All four departments are actively discussing further efforts to merge.

### CASE 3: STAKEHOLDER ENGAGEMENT

A third, successful consolidation effort occurred between the City of Highland Park and the City of Highwood in Lake County, north of Chicago, during the summer of 2016. Highwood was confronting aging infrastructure and equipment, and agreed to explore the merger after a new city manager and fire chief were hired. Both departments worked together through mutual-aid agreements, which placed a greater burden on the more financially secure department. An internal analysis of call volumes and other service arrangements suggested the Highland Park Fire Department could serve both areas without increasing manpower or adding stations.

A merger would enhance services in the under-served community and enhance revenues for the department assuming authority. The extent of this full consolidation requires the Highland Park department to provide fire and emergency medical services as well as building inspections in place of the dissolving fire department. The Highwood Fire Department gave useable equipment including an ambulance to the department now responsible for the area. Furthermore, they are attempting to sell other assets and donate the rest of the equipment. In terms of the finances, the community assuming authority paid fees for its emergency services and building inspections.

The municipal administrations from both organizations had noteworthy roles in addressing risks. Both communities had to enter into an Inter-Local Agreement (ILA), which was then subject to a referendum placed before Highwood voters to dissolve its fire department. The administrators from the dissolved fire department took great care in ensuring that residents, who had to be on board with the consolidation, had factual information and were aware of this opportunity when voting on the referendum. For instance, it would take two additional minutes to reach the new response area, but the time was less than the NFPA standard required. Highland Park wanted to continue to meet that benchmark. Another risk was for the personnel. Municipal administrators provided information to the community dissolving its fire department. Many firefighters from the department assuming authority started in the fire service at the dissolving department, which strengthened the connections between the two communities. By staying in front of the consolidation movement, the communities maintained momentum.

Labor organizations from both jurisdictions were involved in this consolidation. Highwood's union had to agree to the terms of the local agreement before the process could move forward. Part of the agreement between the union and dissolving department was that the full-time members were offered buy-outs and retirement incentives or received assistance in finding new firefighter positions. The union for Highland Park was assured that municipal and fire department leadership would be looking at calls on a daily basis. If they felt that the workload was too much of a challenge with current manpower, then the union contract would be re-evaluated. Since the merger, the results have been favorable. The additional area covered generates one more call per day and the fire department has met the challenge.

#### CASE 4: SHARING SERVICES AND AUTONOMY

A fourth case involves six fire departments and districts in two counties in the western Chicago suburbs – the City of Wheaton, Village of Roselle and Fire Protection Districts from Bloomingdale, Carol Stream, Winfield and West Chicago – pursuing collaborative agreements rather than formal consolidation. The effort began when the Carol Stream Fire Protection District changed its standard operating procedures (SOPs) to increase manpower by bringing in other fire departments to assist for larger incidents such as structure fires. The SOPs also had a positive effect of standardizing emergency responses. They were then adopted by the other cooperating departments, which now take part in joint training.

To facilitate this shared-service arrangement, one department had to take the lead in the process and establish buy-in from the neighboring departments and districts. This required cooperating departments to accept changes such as where vehicles were stationed. Fire departments had to adopt SOPs that they did not have a say in creating, representing a loss of autonomy. Transformational leadership appears to have played a large role in the formation of this collaborative arrangement. The fire chief from the Carol Stream Fire Protection District lobbied extensively to other chiefs on behalf of the cooperative. He also spoke at board meetings for his community as well as other surrounding communities.

The effort initially suffered setbacks. One fire district that had mutual-aid agreements in place with Carol Stream joined for a short time but eventually left the cooperative after its board of trustees expressed disappointment with the loss of autonomy. Another fire department was invited to join the cooperative but opted not to. Despite these hitches, the cooperative is considered successful. Emergency responses are quicker, more efficient and safer, with improved incident and patient outcomes. The joint training has improved firefighter safety because the fire companies have an opportunity to foster safe practices for emergency operations larger in scale than they could previously handle. The new SOPs have created consistency by having particular apparatuses and personnel respond to emergencies. They also standardized operations for larger incidents, which gives each fire department an assignment prior to arriving on scene. SOPs that the cooperating departments use are different from mutualaid agreements in that the latter are less regimented. This places more pressure on the incident commanders, who now have to assign tasks and potentially slow actions down. The six different organizations are still autonomously running each fire department or district. Nevertheless, when it comes to responding to emergencies, participating in training and increasing overall safety, the cooperative has increased efficiency, shared expenses and built trust among the participants. There is a potential for three more fire departments to join in the future.

## CONCLUSIONS

The case study approach brought to light some of the notable drivers and barriers to consolidation that warrant additional discussion. Below are some of the themes from the experiences reviewed.

## DRIVERS

Fire agency consolidation is premised on classic performance metrics of public administration: efficiency, economy and effectiveness. Improving the effectiveness of fire protection services through lower response times has been a common argument steering the consolidation movement. Lower response times yield fewer losses from emergencies and better outcomes. In terms of efficiency, all four cases also promised varied financial benefits. Cases 1, 2 and 4 sought to save taxpayer money from lower operating costs through sharing equipment and vehicle maintenance costs as well as joint purchasing. Cases 1 and 2 touted cost reductions from fewer administrative staff. Case 3 involved creating a new revenue stream for the community assuming jurisdiction.

A final commonality across the cases that may drive successful consolidation was support from public employee unions. Union members were told that labor positions would be retained, and the mergers would promote safe operations. Agency leaders also pledged to build on existing mutual-aid agreements and training arrangements. Thus, one stakeholder group that could represent significant opposition to a merger was mollified in all four cases.

#### BARRIERS

Illinois law is outdated and not conducive to consolidation. The case studies describe several issues with the legal process. Case 1 noted that merging is not easily done in part because communities have made differing levels of fiscal commitment to firefighter pension funds. This is an equity consideration that may require efforts at a higher level of government to equalize the financial commitment asked of taxpayers in merging agencies. In Case 2, the consolidation process was not streamlined and did not address combining municipal fire departments with fire districts. Participants in both cases reached similar conclusions to those reported by the Task Force on Local Government Consolidation legislation has tended to be narrowly construed for specific jurisdictions, and failed to facilitate mergers across different types of local governmental units. The report also cites an inability to easily merge a township with a bordering municipality because they are different units of general purpose government.

Another finding was that aspects of Illinois consolidation law have become obsolete due to population shifts and technological changes. This includes an out-of-date limit to the maximum size of a consolidating township. Finally, citizens seeking to spur consolidation face a difficult task due to the nature of the legal requirements. They are bound by the number of required voter signatures and a relatively short timeframe before going to a referendum. The barriers from the first two cases help illustrate why consolidation is a difficult endeavor. In Case 3, the economies of scale gained from a merger and trust between the two jurisdictions were enough to overcome these limitations. The jurisdictions in Case 4 bypassed these legal barriers through pursuit of collaborative service arrangements rather than electoral consolidation.

A final barrier present in all four cases can be described as contrasting organizational cultures that reinforce the desire to maintain autonomy. The cases describe a loss of institutional knowledge or fire department history as barriers to consolidation. Although somewhat intangible, maintaining individual identities is important to the fire service, which is rich in history and tradition.

## TAKEAWAYS

Moving forward, fire departments that are attempting to merge should consider building on the drivers and be willing to address the barriers as they go into the process. First, consolidating with the hope of improving service can be built on existing mutual-aid agreements or training arrangements that neighboring departments already have in place. Next, fire departments need to be data-driven. Performance information should be more widely utilized to ascertain whether consolidation enhances key metrics of public administration, including effectiveness, efficiency, economy and equity. Finally, thorough stakeholder analysis must be a part of any consolidation effort. Identifying the mutual interests of all affected stakeholder groups, effectively communicating benefits and answering questions can assist in building coalitions necessary to support the lengthy consolidation process.

Fire departments and municipal leaders must understand that Illinois law makes merging complex, but it ensures that citizens have a say in their emergency services. Open-minded leaders that are invested in the consolidation effort need to be in place to overcome the threat of losing autonomy. These individuals must be capable of utilizing momentum and establishing buy-in from the public, political decision makers and fire department personnel. Backing from these groups is needed because consolidation is a group effort founded on trust and mutual gains. To overcome a loss of institutional knowledge or fire department history, fire department leadership must recognize history without being bound by it. Consolidation may be more likely if there is a change in organizational culture from leadership turnover that can positively impact the efforts. Stakeholders contemplating consolidation should consider these points.

Robert Herrmann is a career firefighter/paramedic in the Village of Buffalo Grove and a graduate of the Northern Illinois University MPA program; Aaron Deslatte is an Assistant Professor of Public Administration at Northern Illinois University.

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