

lationship between customer and monopoly supplier. Although the "monopolist" often is benevolent, this arrangement is not representative government. The suburbs have no representation on the central city agency which provides the service. When clashes arise over rates and service, or over supply during periods of shortage—and such conflicts are endemic to the contract system—the central city, because of its disproportionate bargaining position, usually prevails. Complaints, such as those in Cleveland's suburbs, that nearly half the users of Cleveland water have no political control over the water supply, are common.

The unequal relationship produces antagonisms that are often expressed by blaming the central city for all service shortcomings, although the trouble usually results from inadequate local distribution and collection systems. Since the central city voters must approve bond issues for improvements that benefit both residents and contracting communities, the suburbs' water and sewer service levels are determined by political processes over which they have no control. In the Los Angeles area, improvements and additions to the city's sewage collection and treatment system vital to a number of suburbs have been delayed or shelved because of the failure of Los Angeles voters to approve the necessary bond issues.

Further, the supplier-customer relationship generally is not conducive to a wise or equitable employment of a metropolitan area's resources in terms of its future pattern of development. Central cities extend services because of the promise of profits with little capital investment, especially when excess capacity is being sold. Sound metropolitan development is at best a secondary consideration. The cities have been reluctant to increase their bonded indebtedness to finance extensions and new facilities once contracts are let for the excess capacity.

METROPOLITAN APPROACHES

Despite the fact that many central city-surburban contract relationships are satisfactory and mutually beneficial, most studies evaluating the provision of water and sewage service have recommended metropolitan approaches rather than the development or improvement of a contract system. The economic benefits to be derived from areawide utility planning and development, and the fact that political boundaries bisect watersheds and drainage basins, are powerful arguments for structural change in those metropolitan areas where water responsibilities are fragmented, investment is inadequate, and suburban development is hampered by the shortcomings of individual systems.

For the general public, economies of scale are probably the most appealing arguments for metropolitan approaches to the provision of water and waste disposal service. Per capita investment for a sewage treatment plant to serve half a million people is 75 percent of that of a facility serving 50,000. There are also considerable savings in per capita operating costs with larger facilities. For example, it costs an average of \$58 per million gallons to provide primary sewage treatment with a million-gallon capacity treatment plant, but \$23 for a 10-million-gallon-capacity plant and \$8 for a hundred-million-gallon plant.

Of course, economies of scale can be achieved on a less than metropolitan basis. In the larger metropolitan areas and in those with more than one watershed or drainage basin, it is possible for submetro-