very steady, though not rapid, increase. Many other services have lost in importance.

Next, expenditures are examined from a somewhat different viewpoint. The issue at hand is, "Did current or capital expenditures provide the major push"? The answer can be given in unequivocal terms. So far in the 20th century, capital outlays of State and local government advanced at a rate more than twice as fast as did current expenditures. The 1902–58 increase of capital outlays is 76-fold, while that of current expenditures is 37-fold. This not only holds if all services are taken together, but it is also true for single services except public welfare, sanitation, and local parks.

What is the picture of State and local government expenditures if they are adjusted for price level changes; i.e., in constant dollars? The U.S. Department of Commerce has prepared a series of implicit deflators applicable to State and local government purchases of goods and services which goes back to 1929. This series does not make allowance for quality changes. While State and local government expenditures—measured in current dollars—increased from 1929 to 1957 by almost 370 percent, expressed in 1954 constant dollars these expenditures have not even quite doubled. Between 1929 and 1945 the constant dollar expenditures moved relatively little and without definite direction. Since them a pronounced and steady rise has started. The average annual increase of the last 10 years—measured in constant dollars—was about 8 percent.

COSTS OF PUBLIC EDUCATION

What about cost changes in the single most important State and local government sector, i.e., public primary and secondary education? More specifically, what forces have decisively contributed to cost increases in this sector?

A large number of factors can be identified as possibly affecting current expenditures, plus debt service, for public primary and secondary education. Some of them have assumed greatly different values since the turn of the century. Thus, for example, the number of pupils in average daily attendance—ADA—increased almost three times since 1900, high school enrollment relative to total public school enrollment increased about six times, and the percent of pupils living in urban as against rural America has increased about 40 percent.

Turning to some economic factors, it is noteworthy that the average salary of a teacher advanced about 14 times, while per capita personal income increased about 9 times.

Finally, an examination of some characteristics of public education itself reveals that while in 1900 virtually no appreciable auxiliary services were rendered, in 1958 pupils were fed in school cafeterias, attended by school health services, and brought to school in schoolbuses, etc. In 1958, almost 14 percent of current school expenditures, plus debt service, were applied to auxiliary services. In addition, the school term was lengthened an average of 60 percent and the number of principals, superintendents, and consultants per pupil almost doubled.