

The portion that comes from bank deposits and savings and loan deposits has steadily increased. The portion from the sales tax, even though the sales tax has virtually doubled in the last 12 to 15 years, has remained constant in the last 8 or 10 years.

We have no choice. We wish we had the funds in Cleveland to do the job ourselves, so that we would not be worrying you and taking your time and doing all these things. But we don't have them.

Mr. BARRETT. Would you just yield to me at this point?

Haven't we had these fears since 1865? Wasn't it Lincoln who said when the people are not able to do something for themselves, it is incumbent upon the government to come to the aid of the people?

This is what you are doing. The cities are not able to do this, and they are coming to the Federal Government for aid.

Mr. FINO. Well, Mr. Mayor—if this subcommittee should determine in its wisdom that \$2.3 billion isn't sufficient to undertake this vast program, and that it would be necessary to—in order to initiate this program, to have about \$30 billion, would you still be for this program?

Mr. LOCHER. Mr. Chairman—if your deliberations concluded that that is the amount—and I am sure you would not make it unless it were premised on very good criteria—then I would go along with it, providing your conclusions were, in my judgment, reasonable ones—I certainly would. If it were increased just arbitrarily, which I am sure you would not do anyway, then I would have my reservations.

Mr. FINO. Well, ordinarily in normal times I would not argue with you too much. But in view of the Vietnam situation, do you think that this Government should undertake this vast expenditure?

Mr. LOCHER. Mr. Chairman—I am not cognizant of all the things that enter into the Federal budget. My relationship has not been that close to the Federal Government.

I am the first to admit that I don't know.

But I would hope that we can do both—because, as was pointed out, you don't only contain communism overseas, but you must somehow provide opportunities here at home. And it seems to me this Demonstration Cities Act would provide opportunities here, and would make it possible for us to give a ray of hope to many who now feel they have none.

So it takes a very delicate balancing. But I am sure I would go along with whatever this committee could reasonably explain as being necessary, taking into consideration all your commitments.

Mr. BARRETT. Would you yield just for one point?

Mr. FINO. Would you still be for the program, Mr. Mayor, if it entailed an increase in income taxes on the people of the United States?

The administration is already talking about a possible income tax increase.

Mr. LOCHER. I think I should say at the outset, with regard to Federal fiscal matters I don't feel at all qualified. I do know that we need additional revenues at the local level—I am positive of that—because I don't think I need to tell you that the revenues are skimmed off by the Federal Government, the State, the school board and the county. The municipalities are the bottom on the totem pole. I can speak as an expert there. That is why we frequently must look to the Federal Government.