

will decline between 1965 and 1970 and increase by only 10 percent between 1970 and 1975.

Now, do the projections take into account future needs and future costs of public services in the light of the expected increase of non-white teenagers, most of whom live in the central city, and other population trends with respect to the central city, and specifically the slums?

Mr. HARRISS. There is no explicit differentiation on the basis of color in any of the Tax Foundation projections; nor really is there a geographical basis. These are national aggregate figures, and they have the many limitations of all estimates of national aggregates.

That was a long question. And I am not sure that I recollect all of it. But my answer is that I think there is no specific allowance for at least many of the major things that you had in mind.

Representative GRIFFITHS. Mr. Kegan?

Mr. KEGAN. In my model we do assume that the problem of the cities and the problem of the poor in the ghettos will create enormous new demands, and that this means increases in scope and quality. We haven't stated how much that will be, but certainly we have said that we would project that there will be increased demand on this kind of account.

What we have said is that, therefore, the States ought to take over more responsibility. And this is one reason we want them to have a strengthened fiscal system with an income tax—to have grants-in-aid or direct expenditures for welfare and education for the cities, for the core cities. And we have also said that the Federal Government has an obligation here, because poverty in education has become much more a national problem, it is no longer purely local or purely State, and therefore that categorical aids are the best way to take account of the specific problems. We have not isolated the amounts of the exact age groups, although we have included it in the general urban poor.

Mr. NETZER. I think your question is a very good one, Mrs. Griffiths, because it illustrates the point that I tried to make about the inherent conservatism that all of us had in making these projections. To my knowledge, nobody has treated this as a factor in what might be called population workload. That is, we have said, "What is the increase in the total number of people under 18, what is the increase in people in the various other age groups?" In the case of Dr. Mushkin's projections for the Council of State Governments, we looked at it by individual States, but not large cities within States. And there certainly has been no race distinction, nor has there been an income distinction. We have generally said, "We know that in this model of the national economy we can expect certain increases in per capita or per household incomes. And this will diminish the poverty problem to some extent."

What we have in effect is that this is not the basic problem to which government is specifically addressing its attention, because it wasn't a few years ago. Now we say, in the summer of 1967, that this is by itself a distinct factor in an appraisal of the problems facing government, that there will be a very large increase in the number of non-white teenagers, and what can we do about it?

Mr. KEGAN. I think in our model we have simply illustrated that the population workload could be much more refined. We did include—