

and then take an old State where you have difficult winters and there is no lighting in a lot of the houses and you have a high need, then tell me how it is going to work. Maybe everybody in the old State, maybe a large part of them are rich and maybe a large part of them in the new State have a low income, but how are you going to apply this?

Mr. NATHAN. Well, that is just the point. The fact that there is so much diversity of need is an argument for giving State and local governments flexibility to put their resources into what are their primary needs. In some States it is education.

Representative GRIFFITHS. But State governments in my judgment, are not going to do this necessarily. You are going to have a State legislature working and it is going to be looking at the same problem I am looking at between Texas and Michigan. Each one of those State legislators is going to be attempting to take care of his district. We are applying uniformly in Michigan an education formula, but the benefits are not uniform. The need is not uniform, but we are giving them the money uniformly.

Mr. NATHAN. Well, that is—

Representative GRIFFITHS. That is the trouble with the whole thing.

Mr. NATHAN (continuing). A basic judgmental question is what kind of confidence you have in the ability of the State and local governments to make proper choices. I think there is considerable evidence, and the evidence is growing, that State and local governments make what, according to the way Congress sets its priorities, would be considered proper choices.

In the decade just completed, State and local governments devoted, I think, 42 percent of their additional resources to education. Another 20 percent of increased spending in the decade, 1955-65, went to health and welfare. The pressures at the State level are often greatest from the education associations. In the States that I have surveyed, the biggest pressures come from the State university and the education association, to increase minimum foundation State aid to schools and to raise the salaries and improve the facilities of State universities. The marginal dollar spent for education is even larger than this 42-percent figure that I used. And I would say that on your point about the apportionment of the moneys between urban and nonurban school districts, that this, too, is changing because of the reapportionment decisions of the Supreme Court.

I spent some time in Georgia, for example, which underwent a major revision in the way in which it allocates school aid. Formerly the cities, Atlanta and the two counties that Atlanta encompasses, received lower shares than the rest of the State. Now they receive much larger shares.

I think this is happening in many States and a reapportionment really puts us in a position today where revenue sharing is a good deal more palatable than it would have been without it. I would add that we are not just giving the money to the States and putting it on the stump and saying here it is, you take it. There obviously are going to be certain conditions such as Representative Reuss suggests, such as Senator Javits suggests, such as all the other bills that have been put in suggest, for pass-through, for civil rights, for equalization. It is not just unconditional aid that we are talking about, but the adoption of a new and broader instrument designed in part to provide flexibility