

TABLE 1.—Percentage increases in non-Federal public expenditures, 1957-62 and 1962-65/66

	Percentage increase	
	1957-62	1962-65/66
Gross national product ¹	27	33
Total expenditures:		
All State and local governments.....	48	35
All local governments.....	46	35
Local governments in metropolitan areas—		
all SMSA's ²	47	(³)
38 largest areas.....	(³)	34
Central city governments in large cities ⁴	31	27
Per capita expenditures: ⁵		
All State and local governments.....	36	28
All local governments.....	34	28
Local governments in metropolitan areas—		
all SMSA's.....	30	(³)
38 largest areas.....	(³)	24

¹ For calendar years 1957-62 and 1962-66.² For identical collections of metropolitan areas in 1957 and 1962.³ Not available.⁴ Includes only the municipal government (excludes separate overlapping county, school district, and special district governments); for the 42 cities with a 1960 population of more than 300,000 excluding Honolulu.⁵ Based on estimated 1957, 1962, and 1966 populations.

Source: Adapted from various publications of the U.S. Census Bureau, Governments Division.

Neither poverty nor racial disabilities can be eliminated solely by governmental action, and still less by action by local or State and local governments combined (that is, governments other than the Federal Government). But local governments do have a major responsibility to grapple with these problems and can make a major contribution toward their alleviation. In the American system of government, it is local governments which are responsible for providing educational services that over time will have a major bearing on the chances the poor and racially disadvantaged have to overcome their disadvantages. Local governments are also responsible for a wide range of health and welfare services, which are almost entirely oriented toward the poor in American cities. They have had, since the late forties, major responsibilities in connection with the housing of the poor. And, as far as the poor are concerned, local government recreational facilities are about the only recreational facilities available.

A second major set of problems confronting the older central cities lies in the fact that they have a huge legacy of obsolescence. Their stock of housing and other social capital—that is, public and quasi-public facilities of all kinds—is old, often physically deteriorated, and generally far from competitive with the new parts of the same urban areas. It may be, as some have argued, that the best national policy would be to allow this obsolescence to continue, and allow further deterioration of the older parts of the older cities. In this case, population would decline in these sections and, presumably at some stage, values would be so low that private renewal of such areas would become possible. Or, if desirable, public renewal could be undertaken, but on the basis of exceedingly low values.

Developments in recent years suggest that this is hardly a likely course of action. For one thing, there is the plight of those who, be-