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City Budgets and the Black Constituency

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This publication is an outgrowth of the Joint Center's continuing probe for knowledge and understanding in areas of immediate concern to minority group citizens. It is based on the deliberations of black and white scholars, politicians and other professionals at a one-day Public Policy Forum on Urban Governance, which was held in Washington, D.C. in the spring of 1975.

Except for the challenges inherent in international politics, urban growth is one of the most volatile problems confronting America today. Our cities are dynamic entities, and they are constantly changing. Some changes provide solutions to old problems, some exacerbate existing ones, while others give rise to new concerns. Inevitably, each increment of growth and every kind of change ushers in new challenges which require decisions and actions by those responsible for making our cities more livable.

These are some of the reasons why research and debate on urban growth and change are necessary and why the Joint Center decided to sponsor the Forum on Urban Governance. Furthermore, urban centers are not just the sum of the individuals who reside in them. They are also centers of employment, trade, education, government, and culture. They provide amenities not only to their residents, but to their suburban neighbors and to the nation as a whole. Regardless of how we may choose to define the function of cities and in spite of the serious trouble in which many find themselves today, they continue to play vital roles in our way of life.

Black Americans have a special stake in the governance and survival of the cities. Nearly 60 percent of all blacks live in central cities—more than twice the percentage of white city residents. As the urban black population continues to grow, the future of black Americans becomes increasingly entertwined with the future of cities.

The views and ideas presented in this book make a substantial contribution to the continuing search for solutions to our urban problems. We are indebted to the authors for sharing them with us.

CHAPTER

4

CITY BUDGETS AND THE BLACK CONSTITUENCY

Roy W. Bahl Alan Campbell

The fiscal crisis of American cities is related to the existence of a relatively large black population. To examine this issue, as well as others, a sample has been selected from the 37 largest central cities and divided into two groups: one composed of cities with a majority or near-majority black population; the other overwhelmingly white in its ethnic composition.* Certain social and economic characteristics of both sets of cities are then related to the magnitude of their public expenditures and the characteristics of the resource base from which part of the resources must be drawn to support these expenditure levels.

SOCIOECONOMIC FACTORS AND FISCAL CHARACTERISTICS

Population in cities with large black populations is generally declining both absolutely and relative to surrounding metropolitan areas. Of the eight minority cities, seven have experienced absolute declines in population (only Atlanta has grown and this is primarily due to annexation), but all eight are located in metropolitan areas whose populations have increased. On the other hand, five of

^{*}Data used in this analysis are drawn from the Census of Governments, the Census of Population, and from a body of research on metropolitan fiscal disparities, primarily for the Advisory Commission on Intergovernmental Relations, carried out by Sacks and Callahan. The eight cities in the first group, referred to hereafter as minority cities, have a percentage of nonwhite population ranging from 39 percent (Cleveland) to 72.3 percent (Washington, D.C.). The nine cities in the second group, referred to as "white" cities, have nonwhite percentages that range from 6 percent (Minneapolis) to 15.6 percent (Milwaukee). (See column 1 of Table 4.1.)

TABLE 4.1

Socioeconomic Characteristics: Cities with Relatively Large and Relatively Small Nonwhite Populations, 1970

	Percent of City Popula- tion Nonwhite	Ratio of City to Suburban Median Family Income	Percent Increase in City Population 1960-70	Percent Increase in SMSA Population 1960-70
Cities with Large Prop	or-			
tions of Nonwhite				
Population				
Washington, D.C.	72.3	.74	-	40.0
Baltimore, Md.	47.0	.83	7	42.9
Newark, N.J.	56.0	.65	- 3.5	19.9
Detroit, Mich.	44.5	.83	- 5.6	9.9
St. Louis, Mo.	41.3	.78	- 9.5	11.6
Cleveland, Ohio	39.0	.80	-17.0	14.7
Atlanta, Ga.	51.5	.79	-14.2	14.9
New Orleans, La.	45.5	.86	2.0 - 5.4	36.6 20.5
Cities without Large Proportions of Non- white Population Providence Pro-				
Providence, R.I.	9.5	.85	12.5	
Minneapolis, Minn.	6.0	.85	-13.5	11.6
Milwaukee, Wisc.	15.6	.91	- 9.9	22.4
San Antonio, Texas	8.5	.97	- 3.2 11.4	17.5
San Bernardino, Calif.	15.4	.93	11.4	25.7
San Diego, Calif.	11.0	1.00	21.6	41.2
Denver, Colo.	10.9	.90	4.4	34.0
Portland, Oregon	7.8	.94	2.9	32.1
Seattle, Wash. Averages	11.9	.95	- 4.8	22.8
			- 4.8	28.4
Eight Minority Cities				
Nine White	49.64	.79	~ 6.74	21.20
Cities		•	- U./ -	21.38
Cities	10.73	.92	2.57	26.19

Central City Median Family Income	Central City Minority Median Family Income	Ratio of Minority to Total Median Family Income	Percent of Families Below Poverty Line	Percent of SMSA Population Living in Central City
9583	8488	.89	12.7	26.5
8815	7289	.83	14.0	43.7
7735	6742	.87	18.4	20.6
10045	8645	.86	11.3	36.0
8182	6534	.80	14.3	26.3
9107	7617	.84	13.4	36.4
8399	6451	.77	15.9	35.8
7435	4745	.64	21.6	56.7
8430	5627	.67	13.3	19.6
9960	7353	.74	7.2	23.9
10262	7491	.73	8.1	51.1
7734	5374	.69	17.5	75.7
8658	6164	.71	12.8	9.1
10166	7408	.73	9.3	50.3
9654	7287	.75	9.4	41.9
9799	6844	.70	8.1	38.0
11037	8460	.77	6.0	37.3
8663	7064	.81	15.2	35.3
9522	6890	.72	10.2	38.5

Source: U.S. Bureau of Census, Census of Population and Housing, 1970, Series PHC(2), General Demographic Trends for Metropolitan Areas, 1960-70; and Advisory Commission on Intergovernmental Relations, City Government Financial Emergencies (Washington, D.C.: ACIR, July 1973), A-42, Appendix B.

TABLE 4.2

Fiscal Characteristics: Cities with Relatively Large and Relatively Small Nonwhite Populations, 1970

_	Ratio of City to Suburban Per Capita Expenditures		Ratio of City to Suburban Per Capita State and Federal Aids		Total Taxes as a Percent of Median Family	Per Capita State and Federa Aid to the Overlapping Cen- tral City Governments	
	Total	Education	Total	Education	Income	Total	Education
Cities with Large Propor-							
tions of Nonwhite							
Population							
Washington, D.C.	2.37	1.07	303	59	0.6	358	49
Baltimore, Md.	1.83	1.03	259	93	9.2	329	75
Newark, N.J.	1.67	1.05	271	215	9.3	276	84
Detroit, Mich.	1.03	.68	144	107	4.9	189	95
St. Louis, Mo.	1.59	.94	119	71	6.8	99	52
Cleveland, Ohio	1.39	1.08	132	109	3.5	87	36
Atlanta, Ga.	1.76	1.14	102	87	3.5	97	69
New Orleans, La.	1.03	1.02	86	79	2.8	100	59
Sities without Large							
roportions of Non-							
vhite Population							
Providence, R.I.	1.48	0.95	156	82	6.9		
Minneapolis, Minn.	1.04	0.54	78a	62 43a	3.1	111	37
Milwaukee, Wis.	1.16	0.73	89			177 ^a	51a
San Antonio, Texas	.98	0.62	93	70	3.5	199	40
San Bernardino, Calif.	1.22	1.15	129	90	2.2	89	77
San Diego, Calif.	1.03	0.82	96	97 102	3.0	278	111
Denver, Colo.	1.64	0.82	96 159	73	2.3	194	88
Portland, Ore.	1.48	0.88	123		4.9	149	49
Seattle, Wash.	1.11	0.55	85b	88	2.7	125	61
Boattie, Wasii.	1.11	0.55	830	43b	2.8	137b	60 ^b
Averages							
Eight Minority							
Cities	1.58	1.00	177.00	102.50	5.1	191.88	64.88
Nine White Cities	1.24	.79	112.00	76.44	3.5	162.11	63.78

	Property Taxes				
	as a Percent	Per Capita	Expenditures	Per Student	Per Student
	of Total Revenues	Total	Education	Education Expenditures	Education State Aid
Cities with Large	Revenues	Iotal	Education	Expellultures	State Aid
Proportions of Non-					
white Population					
Washington, D.C.	50.8	1006	261	843	251
Baltimore, Md.	73.9	638	222	822	337
Newark, N.J.	82.9	735	216	937	393
Detroit, Mich.	56.5	474	177	898	511
St. Louis, Mo.	29.7	463	176	709	219
Cleveland, Ohio	48.4	512	210	896	179
Atlanta, Ga.	66.1	554	218	804	281
New Orleans, La.	38.7	334	126	560	308
Cities without Large					
Proportions of Non-					
white Population					
Providence, R.I.	98.8	392	139	867	208
Minneapolis, Minn.	88.0	540	154	927	324
Milwaukee, Wis.	96.9	562	183	857	214
San Antonio, Texas	68.3	252	123	458	302
San Bernardino, Calif.	34.7	635	267	740	429
San Diego, Calif.	53.8	484	186	624	318
Denver, Colo.	41.1	502	170	836	225
Portland, Ore.	78.5	486	188	832	299
Seattle, Wash.	43.6	524	150	848	347
Averages			150	3.10	547
Eight Minority					
Cities	67.1	631	217	879	348
Nine White Cities		545	190	871	335

^aIncludes St. Paul. ^bIncludes Everett.

Source: Advisory Commission on Intergovernmental Relations, City Financial Emergencies: The Intergovernmental Dimensions (Washington, D.C., ACIR, July 1973), Appendix B.

the nine white cities are undergoing population increases, while the population of the white city Standard Metropolitan Statistical Areas (SMSAs) is growing significantly faster than that of the minority city SMSAs.

Resident incomes average about 79 percent of the metropolitan area income level in black cities, while they average 92 percent in the white cities, indicating a significant disparity. Further, as may be seen from Table 4.1, the overall level of income is 10 percent less in the minority cities than in the white cities. The median income of blacks is slightly higher in the minority than in the white cities (80 percent of the citywide median compared to 72 percent). Thus, blacks would appear to have higher incomes if they reside in a predominantly minority city. As might be expected, minority cities show a substantially greater percent of families with incomes below the poverty line than do the white cities.

If the literature describing the impact of unfavorable population mix on central city finances² has any validity, then the fiscal position of the minority cities should be markedly worse than that of the white cities. Moreover, there is every reason to expect these characteristics to be reinforced in the black city group over the next decade.

The literature describes blacks as higher-cost citizens, since the poor require more services; for example, poor children may require special preschool training and hot lunch programs, crime rates are higher, fire incidence is greater, and so forth. The revenue base generated by a lower-income population is smaller, however, and this characteristic leads to irreversible fiscal deterioration. The "minority" city, with a smaller tax base but greater service requirements, must tax at a higher rate than its white suburbs, but still provides a lower level of service. Suburban flight of higher-income (white) residents results, resources decline even further, the city's minority proportion increases, tax burdens must rise even higher, and so it goes.

Thus the result will be—or is—higher expenditure levels, population decline, decreased tax revenues, heavy concentration of the poor, and a declining city core relative to the balance of the metropolitan area. The data in Table 4.1 show this pattern.

Table 4.2 shows, as expected, that the minority cities display a quantitatively different fiscal structure than the white cities and, particularly, higher levels of expenditures. The data on the finances of overlapping governments show both per capita total expenditures and per capita education expenditures to be greater in minority than in white cities.

This results from the fact that tax effort in the minority cities is over 60 percent higher (the difference rises to 75 percent if Washington, D.C. is excluded) and that state and federal aid to minority city governments is 18 percent higher. For education, however, the minority and white cities receive an approximately equal per capita aid amount.

These data (summarized in Table 4.3) show that among the 37 largest central cities, total and education expenditures, as well as tax effort, are higher where the nonwhite percentage is greater, and where per capita grants are higher.

TABLE 4.3

Simple Correlation among Selected Central City Socioeconomic and Fiscal Characteristics, 1970
(37 largest central cities)

	Per Capita Total Expenditures	Per Capita Education Expenditures	Per Capita State and Federal Aid	Median Family Income	Percent of Families Below Poverty Line	Tax Effort
Percent nonwhite	.39	.33	.27	25	.51	.51
Per capita total expenditures	1.00	.75	.86	.17	07	.82
Per capita education expenditures	.75	1.00	.52	07	.10	.81
Per capita state and federal aid	.86	.52	1.00	.11	.00	.48
Median family income	.17	07	.11	1.00	89	19
ercent of families below poverty line	07	.10	.00	89	1.00	.22
Γax effort	.82	.81	.48	19	.22	1.00

Source: Data compiled by author.

METROPOLITAN FISCAL DISPARITIES

The disparities between cities and suburbs in service levels, aid flows, and tax effort³ would suggest a pattern of more pronounced socioeconomic and fiscal disparities for minority cities suffering suburban flight than that for white cities. While this is clearly true for income and population growth rate variables (Table 4.1), it is not observed for fiscal variables: the minority city governments spend 58 percent more in total than do their suburbs, while the white city governments spend only 24 percent more than their suburbs. For education, reflecting the impact of aid and higher level of tax effort, the minority cities spend about the same as their suburbs while the white cities spend about 25 percent less.

As may be seen in Table 4.4, the 37 largest SMSAs show a significant positive correlation between the city-suburb ration of per capita expenditures and the percentage of nonwhites living in the central city.

PUBLIC EMPLOYMENT CHARACTERISTICS

There are compelling reasons to study the differential local government compensation and employment patterns in minority and white cities. Studies of the determinants of public expenditures shows that jurisdictions with greater proportions of nonwhites spend more per person for police, fire, and sanitation,

TABLE 4.4
Simple Correlations among Selected Socioeconomic Characteristics and Indicators of City-Suburb Fiscal Disparity

	Per Capita Expenditure Disparity	Per Capita Education Expenditure Disparity	Tax Effort Disparity	Per Capita State and Federal Aid Disparity
Percent nonwhite	0.45	0.26	_	0.27
Per capita expenditure disparity Per capita education education expenditu	•	0.80		-
disparity	_	1.00	_	_
Tax effort disparity	_	-	1.00	_
Per capita state and federal aid disparity	_	_	_	1.00

Source: Data compiled by author.

TABLE 4.5

Public Employment Characteristics: Cities with Relatively Large and Relatively Small Nonwhite Populations

	Total Local Government Employment Population Ratio		Employm	Local Gove ent Popula (Education	tion Ratio	City Government Employees in the Common Functions pe 10,000 Population	
_	CC*	OCC†	CC/OCC	CC	OCC	CC/OCC	-
Cities with Large Proporti	ons of No	nwhite Pop	ulation				
Washington, D.C.	64.15	30.03	2.14	19.57	20.60	0.95	216.54
Baltimore	48.31	18.30	2.64	20.00	13.23	1.51	159.91
Newark	44.48	30.52	1.46	19.89	16.06	1.24	325.10
Detroit	23.81	33.84	0.70	4.71	23.49	0.20	114.77
St. Louis	18.63	30.90	0.60	11.51	17.44	0.66	125.90
Cleveland	31.27	35.00	0.89	5.67	21.82	0.26	114.65
Atlanta	22.30	39.46	0.57	5.98	23.62	0.25	135.92
New Orleans	23.74	34.87	0.68	7.21	21.92	0.33	132.68
Cities without Large Prop	ortions of	Nonwhite I	Population				
Providence	26.07	18.18	1.43	11.54	11.88	0.97	262.12
Minneapolis	14.12	33.63	0.42	n.a.	22.30	n.a.	109.01
Milwaukee	26.04	38.82	0.67	5.94	23.26	0.26	103.81
San Antonio	20.05	56.42	0.36	5.89	41.75	0.14	67.34
San Bernardino	16.00	35.11	0.46	n.a.	20.30	n.a.	115.00
San Diego	22.48	38.69	0.58	7.97	26.11	0.31	76.38
Denver	23.63	32.43	0.73	6.37	25.07	0.25	122.91
Portland	21.78	33.70	0.65	6.83	23.95	0.29	106.01
Seattle	26.38	34.17	0.77	5.21	25.24	0.21	103.36
Averages							
Eight minority cities	34.59	31.61	1.21	11.82	19.77	0.68	165.68
Nine white cities	21.84	35.68	0.67	5.53	24.43	0.27	118.44

^{*}Central Cities.

[†]Outside Central Cities.

Note: n.a. - data not available.

Source: U.S. Bureau of the Census, Local Government Employment in Selected Metropolitan Areas and Large Counties, 1970, Series GE 70, no. 3 (Washington, D.C.: U.S. Government Printing Office, 1971).

and that the sensitivity of expenditures to larger nonwhite percentages is of considerable size. John Weicher, for example, 4 found that a difference of 1 percent in the nonwhite proportion is associated with a \$0.18 per capita higher level of police expenditures. On the other hand, larger proportions of nonwhite population tend to be associated with lower per capita expenditures for education.

While there is consensus about the statistical significance of the minority effect on per capita expenditure level, there is little agreement over the interpretation of this relationship. Some have argued that the nonwhite variable is a convenient proxy for a myriad of poverty-related variables that result in higher police, fire, and sanitation expenditure requirements. Others argue that greater nonwhite populations mean a lower level of governmental fiscal capacity and hence a lower level of expenditures, particularly for education. In all cases, the interpretation has been drawn from the demand side; that is, the emphasis has been on why larger concentrations of minority population might require more services. There has been little investigation of the cost issues—of the possibility that cities with large nonwhite populations have different patterns of public employment and compensation levels.

While comparisons of local government employment among central city areas may be misleading because of interstate variations in the assignment of functions as between state and local governments, data on overlapping central city governments show that local governments in minority cities provide an average of only five more common function municipal jobs per 10,000 of population than do those in white cities. They also, however, pay lower public-sector wages. For instance, in the common functions, in 1972, minority cities paid 6.7 percent less on average than did the white cities (see Table 4.6). However, since all income in the white cities was 9 percent higher, public-sector employees in minority cities received relatively high pay in relation to income of all families in their cities. This higher pay characteristic indicates that more employees could have been hired in these cities with the same amount of overall expenditures if their pay levels had been at the average level of that for all employees in the cities. If, as has been suggested, a 1 percent high wage results in a 0.7 percent lower level of employment, then the opportunity cost of this higher common-function wage in minority cities is 1.61 percent fewer common-function employees in return for the higher wage.

Finally, and still with respect to the public employment issue, it is useful to compare the components of change in common-function expenditures. The 1962-1972 change in labor costs is partitioned into a wage rate, an employment, and an interaction effect, as shown in Table 4.7.* Those results show little

^{*}The "wage rate" effect is simply the increase in expenditures that would have occurred had employment remained constant, but the actual increment in per employee compensation had taken place. The "employment effect" is the increase in expenditures

TABLE 4.6 Composition of Labor Cost Increase: Cities with Relatively Large and Relatively Small Nonwhite Populations

	Common Functions							
-		Average	Salary		Employment/10,000 Population			
	1962	1972	Increase	Percent Increase	1962	1972	Increase	Percent Increase
Cities with Large Proportions of Nonwhite Population								
Washington, D.C.	500.77	886.87	386.10	77.10	169.59	216.54	46.95	27.68
Baltimore	392.29	646.50	254.21	64.80	137.88	159.91	22.03	15.98
Newark	476.19	881.68	405.49	85.15	123.41	134.35	10.94	8.86
Detroit	506.07	1032.33	526.26	103.99	110.47	114.77	4.30	3.89
St. Louis	440.79	800.72	359.93	81.66	114.61	125.90	11.29	9.85
Cleveland	477.09	898.48	421.39	88.32	103.39	114.65	11.26	10.89
Atlanta	352.80	731.77	378.97	107.42	108.67	135.92	27.25	25.08
New Orleans	334.46	590.93	256.46	76.68	127.32	132.68	5.36	4.21
Cities without Large Proportions of Nonwhite Population								
Providence	379.10	724.65	345.55	91.15	132.66	115.59	-17.07a	-12.87
Minneapolis	529.05	949.74	420.69	79.52	97.14	109.01	11.87	12.22
Milwaukee	520.23	1012.07	491.84	94.54	120.76	103.81	-16.95b	-14.04
San Antonio	350.20	706.31	356.11	101.69	63.97	67.34	3.37	5.27
San Bernardino	524.44	885.79	361.34	68.90	98.90	115.00	16.10	16.28
San Diego	552,02	948.91	396.89	71.90	73.98	76.38	2.41	3.25
Denver	480.56	744.12	263.53	54.83	105.56	122.91	17.35	16.44
Portland	504.17	896.87	392.70	77.89	96.72	106.01	9.28	9.60
Seattle Averages	514.88	931.25	416.37	80.87	85.04	103.36	18.31	21.53
Eight minority cities	435.06	808.66	373.60	85.64	124.42	141.84	17.42	13.30
Nine white cities	483.85	866.63	382.78	80.14	97.19	102.16	4.96	6.41

^aDecrease in Providence is due to decrease in sanitation employment.

^bDecrease in Milwaukee is due to decrease in sewerage, parks and recreation, and water supply employment.

Source: U.S. Bureau of the Census, Local Government Employment in Selected Metropolitan Areas and Large Counties. 1970, Series GE 70, no. 3 (Washington, D.C.: U.S. Government Printing Office, 1971).

TABLE 4.7

The Components of Increase in Common-Function
Labor Costs, 1962-72

	Percent	of Total Increment	Due to:	
- City	Wage Rate Effect	Employment Effect	Interaction Effect	
Washington	62.0	21.5	16.5	
Baltimore	77.8	14.1	9.1	
Newark	94.5	3.0	2.5	
Detroit	113.3	- 6.5	- 6.8	
St. Louis	124.7	-13.6	-11.1	
Cleveland	111.8	- 6.2	- 5.5	
Atlanta	65.2	16.8	18.0	
New Orleans	103.4	- 1.9	- 1.5	
Providence	207.0	-56.0	-51.0	
Minneapolis	97.7	1.3	1.0	
Milwaukee	152.9	-27.2	-25.7	
San Antonio	74.5	12.7	12.9	
San Bernardino	55.4	26.4	18.2	
San Diego	62.0	22.1	15.9	
Denver	62.1	24.5	13.4	
Portland	77.3	12.7	9.9	
Seattle Averages	74.1	14.3	11.5	
Eight minority cities	94.1	3.4	2.5	
Nine white cities	95.9	3.4	.7	

Source: Data compiled by author.

difference between the two city groups, but do show that wage rate effects on expenditures have dominated employment effects in all cities.

DIFFERENTIAL FISCAL PERFORMANCE

With respect to the differential fiscal performance of minority cities, their expenditures indicate that they spend more than the white cities, in total and for

that would have occurred had average compensation remained constant, but the actual increment in employment had taken place. The difference between these two effects and the total increment in labor expenditures is a residual which we refer to as the interaction effect, since it describes the expenditure increment resulting from payment of a higher wage rate to an increased number of employees.

education. They also spend more, on average, relative to their suburbs than do the white central cities. Partial explanation for these differences include greater federal and state government aid and greater tax effort relative to their income for minority cities.

There are, as well, marked differences between minority and white cities in the structure of expenditures. Wage rates tend to be lower, and local government employment higher, in the black cities.

Though the evidence of relatively higher wages in minority cities presented here is far from conclusive, the policy implications of such a finding are important.

If minority cities choose to pay higher compensation to public employees, financed from property taxes that bear more heavily on the poor, the level of services to the community will, in turn, be lower than the level that would have resulted had the same expenditure been used to employ more workers, even at lower wages. By paying lower wages, these cities would be able to offer more services than they otherwise could.

The tradeoff between employment and wages is only one dimension of the possible decline in service levels to core city residents. A more severe financial constraint results if state and federal assistance does not increase. If tax limits prevent tax increases and local tax bases decline or remain constrained, these cities will simply be unable to finance an adequate level of services. One might conclude that previous increases in local employment in the minority cities have been possible mostly because of large increments in state and federal aid and greater local tax effort. Without such increments, but with tax rates so high as to push middle-income residents out of the cities, and with inflation pressures promoting higher pay rates, it is likely that public expenditure increases in all large cities may mean higher wages but reduced employment. Since the findings in this analysis suggest that minority cities are more likely to trade off more employees for higher pay, the resulting decline in services provided may be most pronounced in these cities.

NOTES

- 1. The Advisory Commission on Intergovernmental Relations, City Financial Emergencies: The Intergovernmental Dimension, prepared by Seymour Sacks and John Callahan (Washington, D.C.: Government Printing Office, 1967).
- 2. Roy W. Bahl, Metropolitan City Expenditures: A Comparative Analysis (Lexington, Kentucky: University of Kentucky Press, 1969); Theodore Bergstrom and Robert Goodman, "Private Demands for Public Goods," American Economic Review 63 (June 1973): 280-96; Thomas E. Borcherding and Robert T. Deacon, "The Demand for the Services of Non-Federal Governments," American Economic Review 62 (December 1972): 891-901; John C. Weicher, "Determinants of Central City Expenditures: Some Overlooked Factors and Problems," National Tax Journal 23 (December 1970): 379-96.

- 3. The major works on this subject are Sacks and Callahan, op. cit., and Alan K. Campbell and Seymour Sacks, Metropolitan America: Fiscal Patterns and Governmental Systems (London: Collier-Macmillan Limited, 1967).
 - 4. Weicher, op. cit.