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F. PUBLIC OBLIGATIONS

I. SOCIAL SECURITY BOARD, BUREAU OF RESEARCH AND STATISTICS

Wealth, income, debt, and tax paying capacity of states

Undertaken as an aid to policy formation on the part of the Social Security Board in administering the various provisions of the Social Security Act, this project considers the problem of the present and future standing of various states and their governments with the object of determining ability to participate in the social security program, and in particular to make public assistance payments and to maintain the solvency of accounts in the unemployment trust fund. This work is coordinated with other studies by the Board in related fields. The resources in the several states are being studied to indicate the levels and sources of income, the degree of diversity in types of industry and regularity of income, the extent to which these various types of income can resist or are susceptible to economic depression. Another aspect of this problem is the availability of wealth for tax purposes.

To a certain extent materials assembled by others in the Bureau will be used in the study. So far, various existing indices of state wealth have been collected and compared. Notes on the nature and extent of the resources, some of them not strictly comparable among states, have been prepared, and a method for grouping the states into

five classes, from rich to poor, is being developed. Data reflective of need and poverty will be further canvassed and compared with the wealth data. Wherever possible, data already available at other governmental agencies are being adapted for use in conjunction with this investigation.

Eleanor L. Dulles is in charge of this project of the Bureau of Research and Statistics. Because of the incomplete nature of the source materials it is impossible to indicate, even tentatively, when the study will be finished.

2. UNIVERSITY OF MINNESOTA, SCHOOL OF BUSINESS
ADMINISTRATION, FINANCIAL AND INVESTMENT REVIEW

Qualitative aspects of state and local government bonds

Paralleling studies of techniques for appraising the quality of private investments, fragmentary studies of elements concerned with the soundness of state and local credit are being carried forward. Criteria for evaluating credit risks have been worked out and are being subjected to exhaustive testing in the light of market behavior.

In preparation under the direction of Laurence R. Lunden, these studies are published as completed in the *Financial and Investment Review*.

See also IE12; IVC5

3. MUNICIPAL FINANCE OFFICERS' ASSOCIATION OF THE
UNITED STATES AND CANADA, COMMITTEE ON MUNICIPAL
DEBT ADMINISTRATION

The callable feature in municipal bonds

With the purpose of ascertaining the advantages and disadvantages to cities of inserting the callable feature in

their long term obligations, this project is investigating the experience of municipalities that have used this feature in their bonds. Materials for the study have been assembled by a questionnaire survey covering all cities that have used callable bonds and by a detailed analysis of all callable bonds issued in the period 1920-36 inclusive and reported in the annual volume, *Municipal Bond Sales*.

Prepared under the direction of A. M. Hillhouse, this study is scheduled for publication in summer 1937.

4. TWENTIETH CENTURY FUND

National debt and government credit

Exploratory in character, this study attempts a statistical and factual analysis of Federal, state and local government debts in relation to government income, population and wealth, and includes international comparisons. The object is to ascertain what available data indicate with respect to the amount of debt, capacity to support debt, and standing of public credit.

Prepared under the direction of Paul W. Stewart, publication is announced for early summer 1937.

5. TWENTIETH CENTURY FUND

Taxation in the United States

Primarily a study of types of tax levied by the Federal government, states and municipalities, this investigation undertakes to appraise critically their respective advantages and limitations, including, for example, incidence and burden, justice, administration, yield, stability of tax income, and effects on production and the distribution of income. Study is then directed to inter-governmental

tax relations and problems arising therefrom. Finally, the attempt is made to indicate appropriate lines on which tax structures should be organized to be effective under the diverse economic conditions and fiscal requirements to which various local and state governments and the Federal government are subject.

Prepared under the direction of Carl Shoup of the Fund's staff and Columbia University. Volume I, *Facing the Tax Problem*, has recently been published by the Twentieth Century Fund. Volume II, *Studies in Current Tax Problems*, will be released by the middle of the summer 1937.

