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THE UNIVERSITY OF NORTH CAROLINA  
NEWS LETTER

Published Weekly by the  
University of North Carolina  
for the University Extension Division.

FEBRUARY 3, 1926

CHAPEL HILL, N. C.  
THE UNIVERSITY OF NORTH CAROLINA PRESS

VOL. XII, NO. 12

Editorial Board: E. C. Branson, S. H. Hobbs, Jr., L. R. Wilson, E. W. Knight, D. D. Carroll, J. B. Bullitt, H. W. Odum. Entered as second-class matter November 14, 1914, at the Postoffice at Chapel Hill, N. C., under the act of August 24, 1912

STUDYING THE HOME STATE

THE COST OF STATE GOVERNMENT

The table which appears elsewhere ranks the states of the Union according to the per inhabitant cost of operating and maintaining the general departments of the various state governments for the year 1924. The second column shows the per inhabitant cost of operating and maintaining the general departments of the state governments plus interest charges on current and bonded debt. In other words the second column covers every current state government cost for every purpose whatsoever.

At the outset it should be emphasized that current governmental costs and total expenditures for a fiscal year should not be confused. Expenditures for permanent improvements where the funds are derived from bond sales are not current governmental cost payments; but interest on bonded debt and sinking fund payments are current costs.

During the fiscal year ending June 30, 1924, our state government spent \$51,-933,498, but of this sum \$32,670,011 was for permanent improvements, mainly for highways, the money being derived from bond sales. Such an expenditure is in no sense a current governmental cost expenditure.

The Operating Cost

The cost of operating and maintaining the general state government was \$15,745,898, or \$5.79 per inhabitant. This is the basis upon which the states are ranked elsewhere. Interest on debt amounted to \$3,494,219 and is a governmental cost payment. Public service enterprises cost \$23,370. Thus the total cost of our state government for every current purpose was \$19,263,487 or \$7.08 per inhabitant. The reason the states are not ranked on this basis is because the bulk of our state debt has been incurred for highway construction, and the interest charge and sinking fund account are specially provided for through license and gasoline taxes. It is both fairer and less confusing to compare the states on the basis of current cost of the general state government, since many states are not engaged in the business of building highways on a large scale.

We Rank Fortieth

If the states were ranked on the basis of per inhabitant total expenditures for both current and outlay purposes our government would appear very expensive. But when ranked according to the only fair basis of comparison—namely, what it cost to operate the state government during the fiscal year—North Carolina has relatively an inexpensive state government. The cost for all general governmental purposes in 1924 was \$5.79 per inhabitant and our rank was fortieth in the United States. State government was cheaper in only eight states, all Southern except Ohio. In three of the states that rank below ours the cost was within a few cents of our cost, while the least expensive state government in the United States is only \$1.11 per inhabitant less expensive than North Carolina's.

When the interest charge on current and bonded debt is added to the cost of operating and maintaining the general departments—and most of this interest charge is for highway debt and taken care of by special automobile and gasoline taxes—the cost then becomes \$7.08 per inhabitant. On this basis, which covers every current cost for every purpose whatsoever, North Carolina ranks 37th, which is not so high in view of what we are getting for our money.

The cost of operating and maintaining the general departments of the 48 state governments averages \$9.00 per inhabitant, which is \$3.21 above the average for North Carolina. The cost of operating and maintaining the general departments plus interest on bonds averages \$9.60, which is \$2.52 per inhabitant more than the cost in North Carolina.

The point we wish to emphasize is that North Carolina's state government is not expensive compared with the cost of state government in other states. To be sure it is more expensive than it was a few years ago when we had the cheapest state government in the United States. When one stops to consider what we are getting for our increased expenditures, and compares the cost

with that in other states, he is very likely to conclude that we still have the cheapest state government in the Union—not quite the least expensive, but the cheapest.—S. H. H., Jr.

STUDYING CAROLINA

We are presenting below a list of research studies prepared under the direction of the Department of Rural Social-Economics during the college year 1924-25. Brief summaries of many of these studies have appeared in the News Letter, as indicated. The studies are usually concerned with some phase of North Carolina: Economic and Social. During the last eleven years around fifteen hundred such studies have been made by students in the Department of Rural Social-Economics.

U. S. Studies

1. Ratio of Marriages to Divorces 1923. By states. News Letter, Vol. XI, No. 5.
2. State-Supported College Properties. Value per Inhabitant 1923. By states. S. H. Hobbs, Jr. News Letter, Vol. XI, No. 7.
3. State Support of College Culture 1923. By states. S. H. Hobbs, Jr. News Letter, Vol. XI, No. 8.
4. Boy Scouting in the United States. By states. Edgar T. Thompson. News Letter, Vol. XI, No. 10.
5. State Tax Burdens per Inhabitant 1922. By states. Edgar T. Thompson. News Letter, Vol. XI, No. 12.
6. Estimated True Wealth per Inhabitant 1922. News Letter, Vol. XI, No. 14.
7. Motor Vehicle Fatalities 1923. By states. L. P. Barnes, South Carolina. News Letter, Vol. XI, No. 16.
8. Per Capita True and Taxable Wealth 1922. By states. News Letter, Vol. XI, No. 19.
9. Patents Granted in the United States 1924. By states. News Letter, Vol. XI, No. 20.
10. A Democracy of Non-Voters 1920. Non-voting by states. News Letter, Vol. X, No. 43.
11. State Support of College Culture per White Inhabitant 1921-1922. By states. News Letter, Vol. X, No. 44.
12. Per Capita Bank Resources June, 1923. By states. News Letter, Vol. X, No. 45.
13. Per Capita Value of Tax-Supported College Properties 1922. By states. News Letter, Vol. X, No. 46.
14. Per Capita Postal Savings in the United States June 30, 1923. By states. F. J. Wolfe, New Mexico. News Letter, Vol. X, No. 47.
15. Does North Carolina Read? The circulation of 47 magazines in 1924. By states. Orlando Stone, Chatham county. News Letter, Vol. XI, No. 22.
16. Does North Carolina Read? The circulation of "class" magazines and women's magazines in 1924. By states. Orlando Stone, Chatham county. News Letter, Vol. XI, No. 23.
17. Does North Carolina Read? The circulation of literary magazines in 1924. By states. Orlando Stone, Chatham county. News Letter, Vol. XI, No. 24.
18. Does North Carolina Read? The circulation of daily newspapers in the United States January, 1925. By states. Orlando Stone, Chatham county. News Letter, Vol. XI, No. 25.
19. Does North Carolina Read? Public Libraries in the United States 1924. By states. Orlando Stone, Chatham county. News Letter, Vol. XI, No. 30.
20. Does North Carolina Read? College Libraries in the United States 1924. By states. Orlando Stone, Chatham county. News Letter, Vol. XI, No. 31.
21. Hospital Facilities 1923. By states. News Letter, Vol. XI, No. 33.
22. Per Capita Cost of State Government 1923. News Letter, Vol. XI, No. 34.
23. Manufacture in the United States 1923. By states. News Letter, Vol. XI, No. 36.

N. C. Studies

1. Per Capita Bank Resources 1923.

COUNTY GOVERNMENT

Two full-time research students, working in connection with the Institute for Research in Social Science at the University, have made first-hand field studies of the governments of twenty North Carolina counties. The counties studied by Mr. Paul W. Wager are: Alleghany, Alamance, Ashe, Burke, Caldwell, Edgecombe, Polk, Rutherford, and Surry. The counties studied by Mr. Brandon Trussell are: Alamance, Beaufort, Chowan, Craven, Gates, Macon, New Hanover, Pamlico, Perquimans, Pitt, Stanly, and Washington.

The twenty separate reports, typed and bound, cover twelve to fifteen chapters each, and usually run around one hundred pages. These studies are made in the interests of better county government in North Carolina and are intended for guidance and not for publication. They are now being reviewed by the State Commission on County Government.

By counties. A. G. Glenn, Watauga county. News Letter, Vol. X, No. 42.

2. Per Capita Bank Capital 1923. By counties. A. K. King, Henderson county. News Letter, Vol. XI, No. 4.

3. Marriage and Divorce Rates 1923. By counties. S. H. Hobbs, Jr. News Letter, Vol. XI, No. 6.

4. Total Investment in Motor Cars and Public Schools 1924. By counties. Edgar T. Thompson. News Letter, Vol. XI, No. 11.

5. Per Capita County Tax Burdens 1922. Edgar T. Thompson. News Letter, Vol. XI, No. 13.

6. Average Value of Land per Acre 1922. By counties. C. H. Yarbrough, Franklin county. News Letter, Vol. XI, No. 15.

7. Federal Income Tax Returns 1922. By counties. C. H. Yarbrough, Franklin county. News Letter, Vol. XI, No. 17.

8. Federal Personal Income Tax Payers 1922. By classes. News Letter, Vol. XI, No. 18.

9. Does North Carolina Read? The rank by counties in reading eight national magazines 1924. Orlando Stone, Chatham county. News Letter, Vol. XI, No. 27.

10. Deaths per 1,000 of Population 1923. By counties. C. H. Yarbrough, Franklin county. News Letter, Vol. XI, No. 28.

11. Instruction Cost per Child Enrolled in School 1923-1924. By counties. News Letter, Vol. XI, No. 32.

12. Federal Income Tax Returns. Number of Personal Returns and Inhabitants per Return 1923. By counties. S. H. Hobbs, Jr. News Letter, Vol. XI, No. 38.

13. County Health Administration in North Carolina. Z. B. Newton, Cumberland county.

14. North Carolina Agricultural Organizations and Fairs. W. D. Allen, Halifax county.

15. Rural Manufacture in North Carolina. R. A. Little, Pitt county.

16. History of Agriculture in North Carolina. A. N. Stainback, Guilford county.

17. The Forest Resources of Western North Carolina and Their Conservation. C. L. Fouts, Franklin county.

18. State Public Health Administration in North Carolina. L. P. Barnes, South Carolina.

19. A Spiritual Awakening in North Carolina. J. O. Bowman.

Special Studies

1. The Small Town Functioning Properly. J. A. Hunnicutt, Orange county.
2. When a Small Town is Functioning Properly. Edgar T. Thompson, Orange county.
3. The Consolidated School as a Nucleating Center of Community Life. H. H. Huff, Virginia.
4. The Country Community. Brandon Trussell, Texas.
5. The Consolidation of Rural Schools and the Advantages of Consolidation. Brandon Trussell, Texas.
6. The University and Carolina Country Life. W. H. Tyler, Chatham county.
7. Real Property in Ireland. G. A. Duncan, Ireland.
8. Cooperation and Communism. Roland B. Eutsler, Virginia.

9. Cooperation and Commonwealth Building. Mrs. A. G. McGill, Robeson county.

10. What is Lacking in Country Life Recreation? Miss Kate Fulton, Mississippi.

11. Possible Centers of Country Community Life. Miss Elizabeth Smith, South Carolina.

12. Race Cooperation for Community Advancement. Miss Mae Reel, Pamlico county.

13. The Social Side of the Farmers' Cooperative Marketing Movement. Miss Jewell Sink, Davidson county.

14. Neighborhood and Community. Miss Louise Harrison, Martin county.

15. A Satisfying Rural Home Life. Mrs. L. M. Upchurch, Wake county.

16. The Consolidated School as a Possible Disintegrating Force in the Community. Miss Helen Scholtz, Guilford county.

County Studies

1. Alamance County: Industries and Opportunities, by A. E. McIntyre, Alamance county.

2. Davidson County: Economic and Social. Ten Chapters, a 3,000 edition published and distributed, by Miss Jewell Sink, Davidson county.

3. Mecklenburg County: Industries and Opportunities, by J. J. Rhyne, Gaston county.

4. New Hanover County: Facts about the Folks, Food and Feed Production, Natural Resources, by D. B. Koonce, New Hanover county.

5. Orange County: Facts about the Folks, Wealth and Taxation, by Miss Elizabeth Branson, Orange County; Historical Background, Farm Conditions and Practices, by Miss Elizabeth Ellen Bland, Orange county; Natural Resources, Schools, by Miss Ada Thompson, Orange county.

6. Pitt County: Wealth and Taxation, Agriculture, by W. M. B. Brown, Pitt county.

7. Robeson County: Facts about the Folks, Wealth and Taxation, Schools, Evidences of Progress, Problems and Solutions, by F. LeV. Adams, Robeson county; Historical Background, The Indians of Robeson county, by W. D. Cox, Robeson county; Natural Resources, Agriculture, W. T. Sinclair, Robeson county.

COST OF STATE GOVERNMENT  
For the Year 1924

In the following table, based on Financial Statistics of State Governments for 1924 issued by the Federal Census Bureau, the states are ranked according to the per inhabitant cost of operating and maintaining the general departments of the state governments. The second column shows the per inhabitant cost of operating and maintaining the general departments plus all interest on current and bonded debt, or total current cost expenditures for every purpose whatsoever. Expenditures for outlay purposes are not included, but the annual cost for interest on debt is included. Governmental costs and governmental expenditures, which include outlay payments for permanent improvements, should not be confused.

For the fiscal year ending June 30, 1924, our state government cost for operation and maintenance was \$15,745,898 or \$5.79 per inhabitant, and our rank 40th. The current cost for all state purposes, including interest on all debt, was \$19,264,000, or \$7.08 per inhabitant, and our rank 37th.

United States average state government cost for operation and maintenance was \$9.00 per inhabitant, and for operation, maintenance, and interest \$9.60 per inhabitant. Arkansas, which ranks last, spends only \$1.11 less per inhabitant than North Carolina.

S. H. Hobbs, Jr.

Department of Rural Social-Economics, University of North Carolina

Rank	States	Per Inhab. cost for operation and maintenance of General Departments	Per Inhab. cost for operation and maintenance of General Departments, plus interest on Current and Bonded Debt	Rank	States	Per Inhab. cost for operation and maintenance of General Departments	Per Inhab. cost for operation and maintenance of General Departments, plus interest on Current and Bonded Debt
1	Nevada	\$26.32	\$27.38	25	Maryland	\$9.47	\$10.46
2	Kansas	22.17	22.61	26	Wisconsin	9.20	9.25
3	Delaware	16.18	17.52	27	Rhode Island	8.82	9.55
4	Wyoming	14.47	17.43	28	Virginia	8.71	9.01
5	California	14.14	15.66	29	Idaho	8.24	8.94
6	Utah	13.92	14.88	30	Pennsylvania	8.07	8.33
7	Arizona	13.56	14.01	31	Texas	7.92	7.97
8	Washington	13.13	13.59	32	Montana	7.82	8.43
9	Maine	13.09	13.97	33	Indiana	7.57	7.64
10	Vermont	12.57	12.83	34	Louisiana	7.29	7.66
11	Minnesota	12.34	12.81	35	Missouri	7.26	7.74
12	Illinois	11.84	12.03	36	Kentucky	6.45	6.63
13	Connecticut	11.88	11.88	37	West Virginia	6.34	7.32
14	New Jersey	11.19	11.55	38	Nebraska	6.06	6.06
15	Oregon	11.06	14.29	39	Mississippi	6.04	6.50
16	North Dakota	11.04	24.45	40	North Carolina	5.79	7.08
17	New York	11.00	12.00	41	Oklahoma	5.78	5.88
18	New Mexico	10.45	10.84	42	Alabama	5.71	6.09
19	South Dakota	10.44	14.80	43	Florida	5.55	6.01
20	Colorado	10.41	10.90	44	South Carolina	5.26	5.47
21	Massachusetts	10.29	10.78	45	Ohio	4.85	5.10
22	New Hampshire	10.02	10.31	46	Georgia	4.73	4.80
23	Iowa	9.74	10.08	47	Tennessee	4.70	5.04
24	Michigan	9.53	10.47	48	Arkansas	4.68	4.77