

GOVERNMENTAL DEBT IN THE UNITED STATES: 1946

— PRELIMINARY —

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PREPARED UNDER THE SUPERVISION OF
ALLEN D. MANVEL
Chief, Governments Division
Bureau of the Census

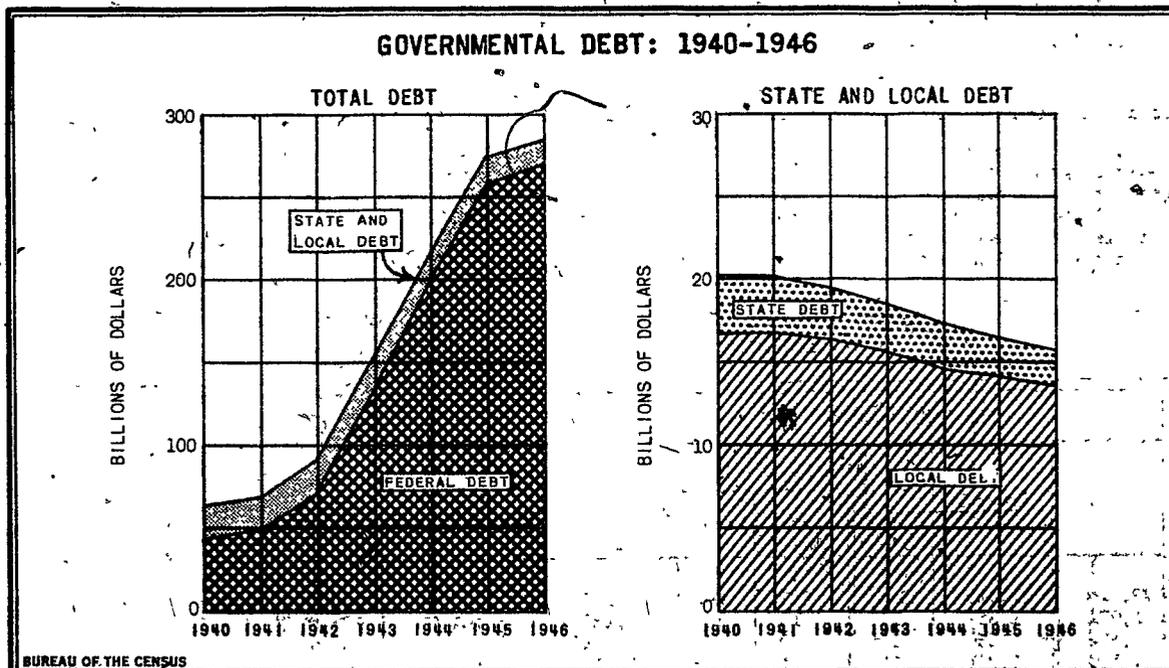
On June 30, 1946, the combined debt of all the 155 thousand governmental units--Federal, State and local--amounted to \$285.3 billion, an increase of \$10.1 billion, or 4 percent, from June 30, 1945. Compared with the summer of 1940, when American rearmament began, the increase is \$222.1 billion, or 351.6 percent.

This abbreviated report makes available summary information on total governmental debt at a date as early as possible. Additional tables and a more detailed analysis will be published soon in the final edition of this report.

Of the total governmental debt for 1946, shown by its component parts in table 1, \$269.4 billion was represented by direct Federal obligations and

when it amounted to \$279.2 billion. The decline from that level to \$269.4 billion on June 30, 1946, was made possible by a reduction in the Treasury's general fund balance. Federal budget estimates issued in August 1946 set the anticipated amount of Federal debt on June 30, 1947, at \$261 billion.

A decrease of 4 percent in total State and local governmental debt occurred during the year ended June 30, 1946, continuing the downward trend which began in 1941. Total contraction since the high point of June 30, 1940, was \$4.3 billion, or 21 percent. The reduction of State debt in 1946 was less pronounced than in the previous year; the decrease in local governmental debt, both in absolute amount and in percentage of reduction, was larger than in



\$15.9 billions consisted of State and local government debt. The total increase of more than \$10 billion in public debt during the year ended on June 30, 1946, represented the net result of a Federal debt increase of \$10.7 billion and of a State and local debt decrease of \$0.7 billion.

As shown in table 2, the 1946 aggregate public debt was 72.9 percent larger than the estimated national income of \$165 billion for the 1946 calendar year.

Federal debt reached its peak on February 28, 1946,

1945.

Debt behavior by all 3 governmental levels reflects the transition from war to a postwar period. The Federal debt increase for the year ended June 30, 1946, during which borrowing was necessary for the conclusion of the Japanese war and the demobilization of our armed forces, was less than one-fifth of that for the previous year. State and local government began to borrow in larger amounts, although their increased borrowings were still more than offset, in the aggregate, by debt retirement during the year.

2
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TABLE 1.--GROSS DEBT OF FEDERAL, STATE, AND LOCAL GOVERNMENTS: SELECTED YEARS 1902 TO 1946

Data for years beginning with 1940 are as of June 30, and they necessarily vary from information for diverse closing dates of fiscal years shown in other Census publications. Earlier data are as of ends of fiscal years.

YEAR	Total	Federal ¹	STATE AND LOCAL ²		
			Total	State	Local
GROSS DEBT OUTSTANDING (Amounts in millions)					
1946.....	\$285,309	\$269,422	*\$15,887	\$2,358	\$13,564
1945.....	275,234	258,682	*16,552	2,425	14,164
1944.....	218,429	202,003	*17,426	2,768	14,703
1943.....	155,341	136,696	*18,645	2,909	15,783
1942.....	92,064	72,422	*19,642	3,211	16,479
1941.....	69,143	48,961	*20,182	3,413	16,812
1940.....	63,177	42,968	*20,209	3,526	16,720
1932.....	39,049	19,487	*19,562	2,896	16,680
1922.....	33,219	22,963	10,256	1,163	9,093
1912.....	5,692	1,194	4,498	423	4,075
1902.....	3,372	1,178	2,194	270	1,924
PERCENT DISTRIBUTION, BY TYPE OF GOVERNMENT					
1946.....	100.0	94.4	5.6	.8	4.8
1945.....	100.0	94.0	6.0	.9	5.1
1944.....	100.0	92.0	8.0	1.3	6.7
1943.....	100.0	88.0	12.0	1.9	10.1
1942.....	100.0	78.7	21.3	3.5	17.9
1941.....	100.0	70.8	29.2	4.9	24.3
1940.....	100.0	68.0	32.0	5.6	26.5
1932.....	100.0	49.9	50.1	7.4	42.7
1922.....	100.0	69.1	30.9	3.5	27.4
1912.....	100.0	21.0	79.0	7.4	71.6
1902.....	100.0	34.9	65.1	8.0	57.1
INDEX OF CHANGE, 1940 = 100					
1946.....	451.6	627.0	78.6	66.9	81.1
1945.....	435.7	602.0	81.9	68.8	84.7
1944.....	345.7	467.8	86.2	78.5	87.9
1943.....	245.9	318.1	92.3	82.4	94.4
1942.....	145.7	168.5	97.2	91.1	98.6
1941.....	109.4	113.9	99.9	96.8	100.6
1940.....	100.0	100.0	100.0	100.0	100.0
1932.....	61.8	45.4	96.2	82.1	99.8
1922.....	52.6	53.4	50.7	33.0	54.4
1912.....	9.0	2.8	22.3	12.0	24.4
1902.....	5.3	2.7	10.9	7.7	11.5

¹Debt of the United States Government; includes general treasury obligations incurred on behalf of Federal agencies and excludes Federal agency debt incurred outside of general treasury. Insofar as Federal Government utilities and enterprises are financed through general and special accounts, the Federal debt comprises both general and enterprise debt.

²Comprises debts both for general purposes and for government enterprises.

*Total is less than the sum of amounts shown in "State" and "Local" columns because of the exclusion of State debts incurred for loans to local governments, which duplicate local obligations held by State governments.

TABLE 2.--PER CAPITA GROSS DEBT OF FEDERAL, STATE, AND LOCAL GOVERNMENTS AND PER CAPITA NATIONAL INCOME: SELECTED YEARS 1902 TO 1946

YEAR	PER CAPITA DEBT ¹					NATIONAL INCOME		PERCENT OF DEBT TO NATIONAL INCOME				
	Total	Federal	State and local			Per capita ¹	Amounts (in billions)	Total	Federal	State and local		
			Total	State	Local					Total	State	Local
1946.....	\$2,026	\$1,913	\$113	\$17	\$96	\$1,172	\$165.0	172.9	163.3	9.6	1.4	8.2
1945.....	1,971	1,852	119	18	101	1,153	161.0	171.0	160.7	10.3	1.5	8.8
1944.....	1,582	1,456	126	20	106	1,164	160.7	135.9	125.1	10.8	1.7	9.1
1943.....	1,138	1,001	137	21	116	1,095	149.4	103.9	91.4	12.5	1.9	10.6
1942.....	684	538	146	24	122	907	122.2	75.4	59.3	16.1	2.6	13.5
1941.....	519	367	152	26	126	727	96.9	71.4	50.5	20.9	3.6	17.3
1940.....	479	326	153	27	126	589	77.6	81.3	55.3	26.0	4.6	21.4
1932.....	313	156	157	23	134	320	40.0	97.8	48.8	49.0	7.2	41.8
1922.....	302	209	93	11	82	541	59.5	55.8	38.6	17.2	2.0	15.2
1912.....	60	13	47	4	43	365	34.8	16.4	3.6	12.8	1.1	11.7
1902.....	43	15	28	4	24	261	20.7	16.4	5.7	10.7	1.5	9.2

¹Based on estimated population as of July 1 in the specified years—except 1940, for which population was enumerated as of April 1.