

THE USES OF STATISTICS IN LOCAL GOVERNMENT
RESEARCH *

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Sixty-seven provinces, 8 sub-provinces, 51 cities, 1,422 municipalities, 21 municipal districts, at least 31,624 barrios-- these are the number of local governments in the Philippines as of January, 1970, according to the Bureau of Census and Statistics as published in the *Sunday Times Magazine's* "People, Etc."¹ Since I know that cities number at least ten more as of the same date, I checked with the Local Government Center for the corresponding figures for the other local units. The Local Government Center figures are for June, 1970 but the discrepancies cannot be accounted for by the six-month lag.² Intrigued, I checked at five other national agencies, most with particular interest in local governments. Note that no two lists tallied as shown in Table 1 even if we take into account the difference in dates. Thus I found out once and for all that the correct number of local units in the country depends on which source you use. The exact figures are not important *per se* but the lack of consensus is symptomatic of the state of statistics with which local government researchers have to contend.

In this paper I shall use statistics in two senses. The first refers to a particular kind of data — quantitative data — such as the size of the population, the number of personnel in the civil service, the length of roads constructed or maintained by the national or local governments. The second meaning involves the performance of specific operations on the quantitative data and is also synonymous with the phrase "statistical techniques." I assume that this seminar is interested primarily in the latter

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¹ Pudy Lukban (compiler), "People, Etc., *Sunday Times Magazine* (Nov. 21, 1967), p. 3.

² Only Surigao City was created by the 7th Congress which met during part of the six-month period.

Table 1
Number of Local Government Units in the Philippines

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Local Gov't Units	STM	BCS	LGC	JLGR	PACD	PACWCD	COMELEC	LOWER HOUSE LG Committee
Provinces	67	67	66	66	68	67	66	67
Sub-provinces	8	8	6	—	—	4	5	—
Cities	51	61	60	60	61	61	61	69
Municipalities	1,422	1,422	1,410	1,467	1,422	1,440	1,430	1,445
Municipal districts	21	21	35	—	18	35	18	20
Barrios	31,624	32,048	(approx.) 32,140	36,922	33,661	(approx.) 35,000	(approx.) 32,000	32,722
Date	Jan. 1, 1970	June 1970	June, 1970	1969	Jan. 3, 1972	1972	1971	June, 1970
Agency	Source: Bureau of Census & Statistics as published in the Sunday Times Magazine	Bureau of Census & Statistics	Local Gov't Center, U.P.	Joint Local Gov't. Reform Commission	Presidential Arm on Community Dev.	Presidential Advisory Council On Public Works & Community Develop ment	Commission on Elections	Lower House Local Government Committee

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use of the word, and I shall discuss its application to local government research in the main bulk of this paper. However, where statistics (data) are not available, statistics (analysis) cannot proceed. Therefore I find it necessary sometimes to list only the type and quality of the available statistics on Philippine local governments and the kinds of information one can generate from them. Thereafter I look into the techniques that have been or may be applied on the data. In both cases I shall examine how statistics may assist in the classification and, hopefully, the resolution of the "burning questions" in the study of local governments, namely: (1) how adequately are services performed at the local level?, (2) what is the optimal size of local government units?, and (3) what is the most efficient allocation of responsibility between the national and various subordinate units?

Statistics can clarify basic concepts and components, reveal particular relationships, and in general help order our thoughts and sharpen our analytical faculties in regard to local government issues. Let me underscore that it *helps*. Decisions are based, however, not only on technical and statistical considerations but are also made in the context of the social and political reality. The discussion below may overstate the statistical case — i.e., talk as if all other things are equal, in a society which militates against such equalities.

The Adequacy of Local Government Services

The evaluation of local government services requires some knowledge of the demands on, and the response and performance of provinces, cities, municipalities and barrios. Several surveys of selected communities have reported on the former, as expressed directly by citizens or as recalled by local government officials.³ Useful as these statistics are for analyzing people's satisfaction with and demands on local *officials*, they permit little inference on the demands on *governments* themselves; i.e.,

³ See for instance, Manuel A. Dia, "Filipino Farmer's Image of Government: A Neglected Area in Developmental Change," *Philippine Journal of Public Administration* (April, 1965), pp. 153-166; Luz A. Einsiedel, *Success and Failure of Some Community Development Projects in Batangas* (U.P. Community Development Research Council, 1968), 362 pp.; and Buenaventura M. Villanueva, *The Barrio and Self-Government* (U.P. Community Development Research Council, 1968). An on-going study done along the same line is S. S. Simpas' dissertation research on the "Role of Municipal Mayors."

they talk of the role of officials as go-betweens, patrons or purveyor of services, but the services themselves are rarely touched on.⁴

For direct citizen evaluation of government performance we might need to reorient our field researches or turn instead to data on the number of letters or telephone calls of complaints or commendation, of the number and size of mass demonstrations, of the volume of program-oriented personal conversations with local officials. These, however may be uniquely urban phenomena and less relevant in a largely rural society such as ours.

Another means of direct expression would be voting. In going to the polls, citizens are supposed to register their approval of the way the local government has been administered by the party in power. Greater citizen involvement in local affairs seems to be evidenced by the finding that off-year elections attract more voters than presidential polls.⁵ However, much as this finding supports democratic myth, local popular participation remains an unsatisfactory index for expressing demands and evaluating governmental response because voting is characterized more along personal or factional lines than by critical consideration of programs, either past or future.⁶

⁴ For example, on the farmer's expectation of public officials of various levels of government in 8 barrios in Laguna, Dia's study reveals that 10% of the farmers expect their barrio captains and councilors to follow up on or refer request to higher authorities, while 16% or 9% expect Mayors and governors to do the same, respectively. A bigger group, 81% of the farmers, look forward to the barrio captain's leadership in bringing barrio problems to authorities. On other services like maintaining peace and order, lowering prices and providing employment, farmers do not expect anything from barrio officials, rather, 17% expect the Municipal Mayors to provide these services while 10% expect the same from the governors.

⁵ COMELEC reports to the President and Congress on the manner the elections were held on Nov. 14, 1967 & 1969, indicate that voter's turnout for a local election (1967) is 2% more than for national election (1969). This information supports the findings of Hirofumi Ando in "Voting Turnout in the Philippines," *Philippine Journal of Public Administration* (Oct., 1968), pp. 424-441, where he observed that "voting turnout since independence (until 1967) has been higher for local than national elections." This is due, among others to voter's identification with candidates and higher levels of information (mostly on a face to face basis) and more involvement with local problems.

⁶ See Carl H. Lande, *Leaders, Factions and Parties* (Yale University Southeast Asian Studies, 1964), p. 24.

Direct expression is, however, only a limited basis of the demand for government services. Demand can also be measured by finding out the level of performance required by the demographic and socio-economic characteristics of the local area. Census data are a good starting point. Population density may be an index of housing, fire and police needs of the community. The number of people below 21 suggests the demand for school facilities. Birth and death statistics may point up the need for health personnel and facilities. Other data may be available or estimated by the appropriate agency, e.g., size of rice-lands and harvests, number of crimes committed, etc. This approach meets several problems. First, records pertaining to demand may not be kept at all. Several agencies are now working to answer this problem. The Local Government Center has collected information directly related to demands for government services from its client governments. The Joint Local Government Reform Commission has started to build a data bank consisting of information on fiscal matters from the Department of Finance and General Auditing Office. The Presidential Advisory Council on Public Works and Community Development has prepared an economic inventory and survey of each city, province and municipality including various maps indicating material resources, existing roads and other structures, and other facilities for development planning and project feasibility studies. And of course many local governments themselves are now alert to the usefulness of estimating their water usage, garbage piles, pollution, etc. Still systematic record keeping in most local units is as yet only a goal to strive for and the quality of data now available may leave much to be desired. As Table 1 shows, conflicting reports of the data collecting agencies themselves continue to plague.

Various socio-economic characteristics of an area may be compared with public expenditures to discover which particular characteristics affect specific kinds of public services through regression analysis. In various studies conducted in the United States, the more potent explanatory variables appear to be some measure of population (e.g., number of people per se, density, rate of population growth).¹

What is the government response to these demands? Personnel, fiscal and other resources of local governments are major indicators. (1) How many persons, how much funds,

¹ Chapter I of Robert F. Adams; *Determinants of Local Government Expenditures* (Presented as Ph.D. dissertation to University of Michigan. Original edition produced by microfilm-xerography by University of Microfilm, Ann Arbor, Michigan, 1967). 121 1.

what other resources are made available to, say, the police departments? and (2) Are these adequate? The answer to the first can be readily gleaned from plantillas and budgetary items but exclusive resort to quantitative resources is seldom sufficient. Measures of quality are harder to come by. In the case of equipment, depreciation expenses may be suitable approximations. In the case of personnel, one may take the proportion of persons with the required qualification (e.g., civil service eligibility) over total employees and still nurture doubts about the quality of the service policeman involved will perform. This may be due to the unrealistic nature of present qualifications for government personnel as well as to the current lack of scientific criteria to gauge in advance, for example, how a person will behave under stress.

One limitation of the use of the characteristics of the area and its people as a measure of demand is that it may imply a rationality to government decisions that may not be supported by the facts. Government policies may respond to pressures other than those representing the great bulk of its citizens. For example, increases of the budget may be due to expansionary tendencies of the internal organization quite apart from any desire or ability on the part of the agency to increase the scope of its service or improve its quality.

Thus standards should not be considered as instruments which if met, can automatically effect the efficient performance of service — and they may necessitate supplementation by the more direct solicitation of citizen's evaluation of the service through surveys and similar means.

The second question introduces the problem of standards. In the Philippines, very few standards of government performance are known, and rare indeed are those established after careful study. The Police Commission's standard of one policeman per 1,000 inhabitants was determined with the financial constraint of local units standing out as a major limitation.¹

Evaluation must take into consideration not only the general social conditions but also the demand for the service itself and the resources utilized to satisfy the demand (i.e., to perform the service). Standards may be based on: (1) the behavioral norm; or (2) a predetermined ideal, including the extrapolation from the behavioral norm to some optimal or ma-

¹This information was furnished by Atty. Sergio Go, Executive Assistant Commissioner, Police Commission, who was involved in the preparation of this bill.

ximum state. The behavioral norm is one based on need-and-response patterns across several comparable units. For example, for the Manila metropolitan area, it would refer to 1.46 lbs/cap/day which was arrived at by computing the average per capita expense directed to garbage collection of four municipalities and four cities.* Had the local units been more typical in size and population, we can then apply the norm that all towns in the Philippines ought to collect 1.46 lbs. per capita daily.

A behavioral norm says only what similar units have as average personnel complement. The projective norms states how many persons these units *should* hire to cope with the demands of the citizenry. Using the same example above, the projective norm will be 1.93 lbs/cap/daily and comprehend not only the actual expense of garbage collection but the required expenditure to allow each local unit to collect all waste in its territory. This implies a pre-set goal of 100% (i.e., all refuse is collected) but this value may be unknown or unrealistic. For example, adequate performance of the peace-and-order function may call for a reasonable level of security of its residents, but does not

Table 2
1970 Collection Data as Reported
by Individual Communities

City/Municipality	% of Population Collected (Estimate)	Amount Collected Cap/day (lbs.)	Amount Collected/capita/day if 100% of Population were served.
Manila	100	1.96	1.96
Quezon City	90	0.64	.71
Caloocan	85	0.59	.69
Pasay	90	.76	.84
Makati	60	2.97	4.95
Mandaluyong	90	0.62	.69
San Juan	80	2.11	2.64
Parañaque	70	2.06	2.94

Source of basic data: See note 9.

necessarily mean the absence of all crimes in the locality. Standard-setting thus requires algebraic calculations to attain optimal

* Adelwisa Agas "Solid Waste Management in Manila Metropolitan Area," paper submitted to the Citizen's Assembly for Greater Manila, 1971, (mimeo.)

figures. Sometimes this necessitates comparisons of behavioral norms over time so that extrapolations to a "coping state" can be made. This is not an easy task. The service and the demand may reinforce each other so that increasing resources for one service may only indicate response to an earlier demand rather than to the agency's capacity to meet current requirements."

Standards assume also that resources are available so that we can compare two towns realistically. Otherwise it would be difficult to evaluate performance. For example, in two towns of comparable size, would Town A with a tax force twice as much as Town B be rated more efficient if its collection rate is 90% to B's 70%? Or where few of the crimes are reported, should not a city be faulted for its low information level despite the equality of solved and reported crimes? In our garbage example, the standard set may be tons collected per capita per day per collector.

However, resources cannot be swept away under a *ceteris paribus* rug for standards are of no value unless resources are raised to meet them. A study in progress seeks to determine the fiscal resources of local government and their allocation into the various budgetary items and to harmonize these with the characteristics of the community (e.g., size, number of business establishments, schools, etc.) — what I have called the inhabitants' level of demand." This fiscal study hopes to gather the baseline data from as many municipalities as possible, compare these and extrapolate the funding required by communities at different levels of development.

Adequacy of service should preferably be accompanied by efficient use of resources. Thus cost per unit of performance should be developed for local governments. Although performance budgeting has been used by the national government since 1954, local governments have stuck to the line-item budget which reckons expenditure practically with no regard to the function to be performed. Knowledge of cost per unit can help local governments decide on the alternative uses of their resources. The LGC fiscal study cited earlier ultimately hopes

" Benjamin V. Cariño, *Differentiation, Government Fiscal Decisions and Performances A Study of Metropolitan Areas in the State of India*. (Unpublished doctoral dissertation presented to the Dept. of Political Science, Indiana University), 189 1.

" Arturo Pacho and Mario Hernani de Guzman both of Local Government Center have started the project using San Juan, Rizal as the pilot municipality.

to be an answer to this need. Where it is available, some glaring misallocation of funds may be discerned. For example, one small municipality used to allocate ₱1,000 every month to enable its mayor to go to Manila to follow up the release of its pork barrel appropriation." Sometimes the amount requested to be released is only ₱5,000. Thus the municipality could have finished 20% of the project had it allocated these funds to public works rather than to strengthening its dependence on the national government.

The Optimal Size of Units

There are four main levels of government inferior to the national. The province is responsible for coordinating the municipalities under its jurisdiction. The chartered cities are a hybrid, part-province and part-municipality in their functions and powers. The barrios are smaller units of both cities and municipalities. The province is expected to be the largest, followed by cities, municipalities and barrios seriatim. But the size of the units vary so widely in reality.

It has been said, only half-facetiously, that the main pre-occupation of Congress is the division of municipalities, the carving of cities out of several towns, the conversion of one unit (say a municipality) into another (city), the cutting up of provinces. Five percent of the bills presented in the last two sessions of Congress and 20% of the new laws in 1970 and 1971, dealt with the creation of local governments by one of these methods." Their explanatory notes disavow any thoughts of gerrymandering and stress instead the noble motive of hastening the developments of the areas concerned. Despite the similarity of their *raison d'être*, however the new local units share little else. They vary in size, population, economic structure, ethnic composition. Their incomes sort them from first to seventh class. While municipalities which are chartered into cities often increase their income, the mother province suffers

" Res. No. 78 and appropriations Ordinance No. 16 (January 16, 1962) pertain to only one such trip to the capital. These were cited in Ledivina V. Cariño, *The Politics and Administration of the Pork Barrel*, (Local Government Study Series No. 3, Manila: College of Public Administration, Local Government Center, 1961), p. 67. The same study lists alternative uses of ₱4,000, the usual pork barrel appropriation at the time. See p. 127.

" I am grateful to Ma. Concepcion Parroco for her patience in counting the raw data that led to this information.

a corresponding income loss." Cities created out of several municipalities however, often face a rough period of financial crises. Clearly criteria must be drawn up to guide legislators in the creation of various types of local governments. The conversion of a municipality, or set of municipalities into a chartered city or province, respectively, always entails the assumption of new responsibilities on the part of the new unit. Its initial effect is to increase income: municipalities get internal revenue allotments of 4% while cities get as much as provinces (13%).¹⁴ However, this should be balanced against the new functions they will assume. A study of income-expenditure patterns must therefore always precede the creation of new provinces or cities¹⁵

Other factors that must be considered are the demand-resource standards discussed in the previous section, the economies of scales, and the existing links between the unit and its neighbors. Several promising attempts to define a "viable" unit have been made, using particularly various indices of development. Tapales and Maling have suggested income of P1 million and population of at least 50,000, to be the minimum qualification of cities while admitting that their concept of what is urban needs refinement.¹⁶ The Committee on Local Governments of the House of Representatives has suggested a set of questions that must be answered by any proponent of a bill creating a new unit.¹⁷ Linkage of services and facilities seem to be the main criterion of those who propose some kind of a coordinating umbrella, perhaps a metropolitan authority over Manila and its environs. These are initial ventures pending more investigations explicitly directed towards the quantifica-

¹⁴ Joint Legislative-Executive Tax Commission, *Survey of the Tax Structure of Manila and Neighboring Areas* (Manila: Joint Legislative-Executive Tax Commission, 1966), p. 3, cautions against the indiscriminate creation of cities partly because of the adverse effect on the financial resources of the province.

¹⁵ Decentralization Act of 1967 (R.A. 5185), Sec. 13 (Approved Sept. 12, 1967).

¹⁶ This is also proposed by Joint Legislative-Executive Tax Commission, *loc. cit.*

¹⁷ Proserpina D. Tapales and Eleanor Maling, "Proposed Criteria for Philippine Cities: A Plea for Congressional Rationality," *Philippine Journal of Public Administration* (July, 1970), pp. 316-318.

¹⁸ House of Representatives, Committee on Local Government, February 18, 1970, policy on the creation of provinces, cities and municipalities and barrios (mimeo.).

tion of the criteria and their application to the various local government divisions.

National-Local Sharing of Responsibility

The cry for local autonomy has dominated any listing of local officials' demands from the national government for some time now.¹⁹ However, these pressures tend to be benefits-oriented rather than responsibility-oriented.²⁰ Thus executives think of autonomy in terms of the exercise of more powers rather than the taking over of the support of local services. Moreover, the powers which require unpopular decisions — such as the increase in the real property tax are seldom wielded. In view of these, the devolution of authority to the local level becomes a highly problematic situation. Democratic ideology, expressed as "bringing the government closer to the people" favors more grants of autonomy, but the existing pattern of dependence of most local units on the central government must be changed before grants of authority can be coupled with responsibility. While a plea for centralization is rare,²¹ most local government specialists now admit that present national functions must be devolved to local units on a selective basis. Chief among the qualifications of the most autonomous units would be financial independence from the center coupled with local initiatives. Less powers will be granted to other units as the level of dependence on the national government increases. A measure of this independence would be the amount of income generated in the area, as shown in excess of income tax collections over those of ten years ago.²² While a number of units have launched campaigns in order to encourage businesses to pay their taxes locally, these excess collections are less desirable

¹⁹ See Buenaventura N. Villanueva, "To Govern or Not to Govern: A Case Study," *Philippine Journal of Public Administration*, V. 3, 1 (Jan., 1959), pp. 24-38.

²⁰ See Leodegario V. Soriano, "An Exploratory Survey on Local Autonomy," *Philippine Journal of Public Administration* (April-July, 1966), pp. 214-230 and *Local Government Officials Understanding of and Attitude Towards Local Autonomy: An Exploratory Survey* (Manila: Local Government Center, College of Public Administration, U.P., 1966), 57 1.

²¹ Tito C. Firmalino argues for the retention of the responsibility for health and intermediate education function in the national government. See "The Aklan Experience: A Plea for Centralization," *Local Government Bulletin*, Vol. 3, No. 6 (Nov.-Dec., 1968), pp. 6-7, 11, 13.

²² Sec. 65 of R.A. 6510, which amends Sec. 360 of the National Internal Revenue Code.

as a measure of a local unit's responsibility-orientation than its activities to impose new taxes or to raise the income from existing ones. Among the latter, the most important is the increase in the rate of the real property tax, the reassessment of property closer to its true market value and the efficient collection of due taxes. Thus independence and initiative would be evidenced not only by existing levels of income and other revenues but also by the rate of increase of these sources. Another gauge may be the citizens' willingness (probably, as shown in a referendum) to assume part of the burden in a specific service by, say, allowing bonds to be floated.

An additional criterion for autonomy may be one's potential capacity to absorb new functions as shown by rigorous exploitation of natural resources and the entrance of new industries or commercial establishments. This may require some trend data in an area's rate of development as well as projections and plans for sustaining such growth.

Another major problem is the actual allocation of responsibility between the national government and inferior units. For the period 1951-60, local units performed only 20.42% of all services, as indicated by public expenditures.²² This may be regarded as placing too heavy a burden on the center. However local expenses are limited by the amount of revenues, of which, during the same period, fully 57.33%²³ came from the national government under the old 88-12 sharing system.²⁴ Thus it may be argued that local governments would have assumed a heavier burden if the center had given them a greater share of the revenues. The question then is: can we do better than the arbitrary rule of 88-12, or the present 83-17?

Let me propose, with some trepidation, the outlines of a new procedure. The first step would be to examine each func-

²² Amelia Abello, *Patterns of Philippine Public Expenditures and Revenues, 1951-1960* (Q. C.: U.P. Institute of Economic Development and Research, 1964), Table 10, p. 14.

²³ 64.64% of local public revenues come from taxation of these, 88.7% represent internal revenue allotments from the national government. *Ibid.*, Table 31, p. 46.

²⁴ C.A. 586. This was amended by the Decentralization Act of 1967 (R.A. 5185) which increased the local share from 12 to 17. For a critique of intergovernmental fiscal relations, see Vicente Valdepeñas, *Local Finance in the Economic Growth of the Philippines 1956-1961* (Unpublished Master's thesis presented to the Graduate School of Cornell University, 1964), pp. 164-178.

tional activity and determine which programs can best be performed by local units and which should be left to the central government. This distribution would be set by technical personnel. It is assumed that the data on cost of service are available. Next would list the minimum requisites for a unit to assume the decentralized program, taking into account economies of scale as well as ability to sustain the program. This may include, for example, population (e.g., an area with only 1,000 elementary graduates may not open a public high school) and willingness to be involved in the devolution scheme, as well as locally generated actual or potential income. This would be similar to the step taken to determine the viable size of units. It is expected that the more economically developed units will take over the most functions, the middle-level units, the second set of functions and the least able, the fewest functions.

To determine the national-local sharing system, take a sample of units from each level of development and look back on its local resources over a certain period, say ten years. By "local resources," I mean all local revenues (real property taxes, licenses, receipts from operations, etc.) plus income taxes paid within this jurisdiction in excess of collections of a moving base year, say 10 years ago. These figures would be the take-off for fiscal projects. The difference between the cost of the service and the projected local resources will be covered by the internal revenue allotments from the national government and the resultant percentage shares the basis of the national-local sharing system. The department of finance would be authorized to change the allotment system every so many years, and would also entertain and evaluate requests of local units to move up or down the devolution scale. This procedure of course simplifies the situation as there are several levels of government to contend with, not to mention lack of agreement on what programs to decentralize, the extent of their decentralization and the costs it would entail. Costs may be estimated from national performance budgeting figures and the Local Government Center fiscal projections study as they become available.

Table 3 shows some possible results using the pilot units. The figures are completely hypothetical. It is possible that the percentage sharing would be the same across all levels but since types II and III units perform much less services, they will still be more dependent on the center than units engaged in maximum decentralization.

This scheme since it would not completely deprive developed units of national support may prevent them from feeling they are paying a penalty for richness. Meanwhile those which are poor can count on the national revenue allotments to sustain them, albeit in a limited set of activities.

This is a radical departure from our present system and may entail a lot of costs to institute. The lack of a definite sharing system makes for uncertainty which may doom the adoption of this or any similar program. Being no statistician, I cannot guarantee its performance but it might be worth a try if only to find out if the financial distribution that will accompany selective decentralization can be set in a non-arbitrary fashion.

Table 3

Hypothetical National-Local Sharing
of Resources and Responsibilities

Type I — Maximum Decentralization

<i>Local Unit</i>	<i>Resources</i>	<i>Cost</i>
Most developed unit	Income Taxes above 1962 Collections	Many decentralized programs
	P500,000	
	Other local resources	
	300,000	
	Total local resources	
	800,000	Total
	National internal revenue allotment	P1,000,000
	200,000	
	<hr/>	
	Total	1,000,000
	Percentage sharing	80-20

Type II — Medium Decentralization

<i>Local Unit</i>	<i>Resources</i>	<i>Cost</i>
Unit in middle level of development	Income taxes above 1962 Collections	Some decentralized programs
	P225,000	
	Other local resources	
	150,000	Total
	Total local resources	P750,000
	375,000	
	National internal revenue allotment	
	375,000	
	Total	750,000
	Percentage sharing	50-50

Type III — Minimum Decentralization

<i>Local Unit</i>	<i>Resources</i>	<i>Cost</i>
Least developed units	Income taxes above 1962 Collections	Few decentralized programs
	Other local resources	Total
	Total local resources	₱500,000
	National internal revenue allotment	
	Total	
	Percentage sharing	20-80

Summary and Conclusions

I have tried to show in this paper the actual and potential uses of statistics in the improvement of our knowledge regarding local governments. Three important issues were discussed: (1) the evaluation of local government performance; (2) the optimal size of units; and (3) the national-local allocation of responsibility. In a sense, the assistance of statistics in these topics are cumulative, for an adequate resolution of the first issue facilitates the resolution of the second problem, and both to the third, and so on. Much of the statistics — both data and techniques — for dealing with these issues are still not fully available or recognized as relevant. Nevertheless, the role statistics can play in local government studies has been appreciated and its application has already begun. I have tried to point out in this paper what directions future research may take while making full use of the quantitative data and methods, in order to answer the significant issues affecting local governments. In addition, I hope I have succeeded in showing that while much work still remains to be done, the demands of statistics, while sometimes difficult, are not in principle unattainable.