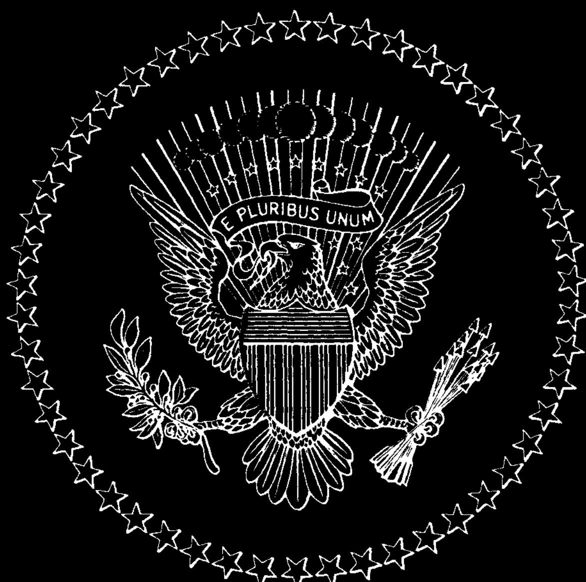
ECONOMIC REPORT OF THE PRESIDENT

TRANSMITTED TO THE CONGRESS FEBRUARY 1970



Economic Report of the President

Transmitted to the Congress

February 1970

TOGETHER WITH

THE ANNUAL REPORT

OF THE

COUNCIL OF ECONOMIC ADVISERS

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ECONOMIC REPORT
OF THE PRESIDENT

ECONOMIC REPORT OF THE PRESIDENT

To the Congress of the United States:

For many years the American people have been seeking, through their Government, the road to full employment with stable prices.

In the first half of the 1960's, we did have price stability—but unemployment averaged $5\frac{1}{2}$ percent of the civilian labor force.

In the second half of that decade, we did have relatively full employment—but with sharply rising prices.

After 5 years of sustained unemployment followed by 5 years of sustained inflation, some have concluded that the price of finding work for the unemployed must be the hardship of inflation for all.

I do not agree.

It is true that we have just passed through a decade when the economy spent most of the time far off the course of reasonably full employment and price stability. But if we apply the hard lessons learned from the sixties to the decade ahead, and add a new realism to the management of our economic policies, I believe we can attain the goal of plentiful jobs earning dollars of stable purchasing power.

Those lessons are plain:

1. We have learned that Government itself is often the cause of wide swings in the economy.

2. We have learned that there is a human element in economic affairs—habit, confidence, fear—and that the economy cannot be managed mechanistically and will not suspend its laws to accommodate political wishes.

3. We have learned that 1-year planning leads to almost as much confusion as no planning at all, and that there is a need to increase public awareness of long-range trends and the consequences for future years of decisions taken now.

My 1970 Economic Report reflects these lessons. The current actions we are taking are designed to help the American economy regain its balance; the plans we are making are designed to build on that balance as our free economy grows and responds to the needs of its citizens.

"Stability of economic policy," Theodore Roosevelt pointed out, "must always be the prime economic need of this country. This stability should not be fossilization." Stability is a means to an end. The end we seek is steady growth, predictable Government action in maintaining a sound economic climate, and constant involvement of the people in setting their own priorities.

Accordingly, this Economic Report "opens up the books" as never before.

We are making available the facts and figures that will enable the people to make more intelligent judgments about the future. If we are to improve the quality of life in this Nation, we must first improve the quality of debate about our national priorities. In this Report, and in the Budget Message, long-range projections are made that will enable the people to discuss their choices more effectively in the light of what is possible.

In the real world of economics, there is a place for dreams—dreams that are realizable if we make the hard choices necessary to make them come true.

THE USES OF OUR NATIONAL OUTPUT

We have placed the Nation's larger decisions in the context of a picture of the total resources available and the competing claims upon them. A summary of this analysis is contained in Chapter 3 of the Annual Report of the Council of Economic Advisers; I hope it will be studied carefully and its precedent carried forward in future years.

That analysis is neutral about which options and claims should be chosen. The purpose of the analysis is to help everyone observe the discipline of keeping claims and plans within the limits of our capacity, and to make sure that excessive claims do not prevent us from achieving our most important goals.

Even in our own highly productive and growing economy, resources are limited. There will be competition between private and government uses for our national income, competition among programs within government budgets, and competition among borrowers for the limited national savings.

Our problem, in short, will be to choose wisely what to do with our output and incomes. Large as they are, the claims upon them, what people expect of them, are even larger. If we add the expenditures that consumers will want to make with larger incomes; the investment that businesses must make to assure rising productivity; the housing construction needed to meet the current shortage and the demands of a growing population with rising incomes; the likely expenditures of State and local governments; the costs of present Federal programs plus the proposals already recommended by this Administration—we find that the total would nearly exhaust the national output until 1975. And that total would not include tens of billions of dollars of new programs that are commonly urged upon the Government.

We shall have to think carefully about how to choose the claims upon the national output that will be met, since we cannot meet them all. This choice is not made exclusively or even mainly by the Federal Government. It is mostly made by the individuals who produce the output, earn the income, and decide how it should be spent. Nevertheless, a Federal Government with a budget of $200 billion has a great influence on how the national output is used. This influence is not confined to the output the Federal Government uses itself. The taxes the Federal Government collects, the grants it makes to State and local governments, its borrowing or repayment of debt, influence the purchases of private citizens and of State and local governments.

Personal freedom will be increased when there is more economy in government and less government in the economy. Economic domination, like any other government domination, is dangerous to a free society, no matter how benevolent its aims. Freedom depends on our recognizing the line between domination and influence, between control and guidance. The quality of life in America depends on how wisely we use the great influence that Government has.

We know that existing programs of Government and probable demands of the private sector could use up all the output we can produce for several years to come. This does not mean that we cannot do anything new. It does mean that we have to choose. If we decide to do something new, or something more, in one direction we will have to give up something elsewhere. There is no unclaimed pool of real resources from which we shall be able to satisfy new demands without sacrificing or modifying some existing claims.

If we fail to tailor our demands consciously to resources available, the likely consequences would be both misdirection of resources and inflation. We have seen this in the past 5 years. Beginning in mid-1965 the Government imposed on the economy a large increase in nondefense spending and the demands of the Vietnam War effort. It did not, however, face up soon enough to the need to cut back other demands by raising taxes or by following an adequately restrictive monetary policy. Of course, failing to take these steps did not relieve us of the necessity of cutting back. It only meant that the cutback was imposed unfairly by inflation, rather than in a more deliberate and equitable way.

THE PRESENT INFLATION

The inflation unleashed after mid-1965 had gathered powerful momentum by the time this Administration took office a year ago. The expectaton of more inflation was widespread, as was skepticism of the determination of Government to control it. Businesses, anticipating rising prices and costs, were eager to invest as early as possible and were willing to incur high interest charges that they would pay later in presumably cheaper dollars. Workers demanded large wage increases to catch up with past increases in the cost of living and to keep up with expected future increases. Prices were being boosted to catch up with past cost increases and to keep up with the future.

Inflation was in full tide.

The inflationary tide could not quickly be turned. At least it could not be turned quickly without a serious recession. Such a recession would itself have brought hardship to millions of people. Moreover, it would have been another episode in the history of stop-go economic policy, when the need was to introduce an era of steadiness in policy that could yield stability in the economy.

Our purpose has been to slow down the rapid expansion of demand firmly and persistently, but not to choke off demand so abruptly as to injure the economy. The greater price stability that all desired could not, given a concern about unemployment, come quickly. This transition would take place in several steps, each of which would require time, and only at the end would increases in the price level slow down.

1969 was a year of progress in the fight against inflation. For the first time since the price spiral began, there was a sustained period of combined fiscal and monetary restraint. During 1969 the rise of Federal expenditures was slowed to an increase of $9 billion, compared with an annual average of $20 billion in the 3 preceding years. Instead of the rising budget deficits of earlier years there was a surplus in 1969. Instead of the money supply expanding by 7 percent, as in 1968, it grew at a 4.4-percent annual rate in the first half of 1969 and at a 0.7-percent rate in the second half.

The growth of total spending, public and private, which was the driving force of the inflation, slowed markedly, from 9.4 percent during 1968 to 6.8 percent during 1969 and an annual rate of 4.4 percent in the fourth quarter of 1969. This decline in the growth of spending was inevitably accompanied by what in October I called "slowing pains." Gains in real production slowed down. Industrial production declined. Profits drifted lower as margins were squeezed. All of these slowing pains were increased, and the inflation prolonged, by the failure of productivity to rise, for the first time in many years.

And in the latter part of the year there were the first faint signs of gain on the price front. Instead of continuing to accelerate, the rate of inflation itself began to level out.

THE OUTLOOK FOR 1970

As we enter 1970 continuation of a low rate of growth of sales, production, and employment for several months seems probable. Thereafter, the performance of the economy will depend on both the continued resolve of the Government and the difficult-to-predict behavior of the private sector.

Government policy must now avoid three possible dangers. One is that after a brief lull the demand for output would begin to rise too rapidly and rekindle the inflationary process, as happened in 1967. This possibility cannot be ignored. The tax bill passed in December reduced revenues for the next fiscal year by close to $3 billion, compared to my original proposals, requiring the Administration to reduce spending plans further in order to retain a surplus. Pressures for increased spending threaten to shift the budget from the surplus position to a deficit by the latter part of calendar 1970 unless the responsible fiscal course urged by the Administration is accepted by the Congress.

A second danger we must consider is that the moderate and necessary slowdown may become more severe. The highly restrictive stance of monetary policy is one reason for considering this possibility. Moreover, there is a question whether the rate of real output can long remain essentially flat without more adverse consequences than we have so far experienced. Until now the unemployment rate has remained low, partly because employers have retained workers despite growing signs of sluggishness in sales. However, they may be unwilling to do this for long with profits shrinking.

A third danger is that although the economy remains on the path of slow rise, and avoids either serious recession or revived inflation, this is achieved with such tight credit conditions as to paralyze the housing industry, preventing needed additions to the supply of homes and apartments. A Federal budget deficit, which would require the Treasury to become again a net borrower in the capital markets, taking funds that would otherwise go to other users, might bring this about. This is one reason why I continue to stress the importance of a strong budget position.

Our objective is to avoid these dangers as we achieve stability. A necessary condition for doing this is to keep the Federal budget in balance in the coming fiscal year.

A prudent fiscal policy, avoiding the risks of returning to budget deficits, and a prudent monetary policy, avoiding the risks of overly long and overly severe restraint, offer the best promise of relieving strains and distortions in financial markets, bringing interest rates down, and encouraging a sustainable and orderly forward movement of the economy.

After some months of slow expansion of sales, output, and employment, which seems likely, a moderately quicker pace later in the year would be consistent with continued progress in reducing the rate of inflation.

The goal of policy should therefore be moderately more rapid economic expansion in the latter part of 1970 than we have recently been experiencing or expect for several months ahead. Keeping the Federal budget in balance, as I have recommended, and a moderate degree of monetary restraint will help achieve this result. This combination of policies would also permit residential construction to revive and begin a rise toward the path of housebuilding required by our growing number of families needing homes and apartments.

As far as can now be foreseen, this pattern of developments through the year could be achieved with a gross national product for 1970 of about $985 billion. This would be 5½ percent above that for 1969. A slowdown in the rate of increase of consumer prices is a reasonable expectation in this economic outlook.

An unfortunate cost of having allowed the inflation to run for so long is that it courts the risk of some rise in unemployment. The policy of firm and persistent disinflation on which we have embarked, however, holds out the best hope of keeping that risk low.

This risk emphasizes the importance of promptly enacting the legislation this Administration has recommended for manpower training, unemployment compensation, and welfare systems:

—The proposed Manpower Training Act would not only bring about better planning and management of training programs; it would also trigger an automatic increase in appropriations for these programs if the national unemployment rate reaches 4.5 percent for 3 consecutive months.

—The unemployment compensation legislation would increase coverage, encourage States to improve benefits, and provide for Federal financing of extended benefits if unemployment of insured workers exceeds 4.5 percent for 3 consecutive months.

—The proposed Family Assistance Program would provide income support for poor families with children, whether headed by a male or a female, while providing strong incentives and assistance for those who can do so to find and accept employment.

Because our expanding and dynamic economy must have strong and innovative financial institutions if our national savings are to be utilized effectively, I shall appoint a commission to study our financial structure and make recommendations to me for needed changes.

In 1970, we are feeling the postponed pinch of the late sixties. If responsible policies had been followed then, the problems of 1970 would be much easier. But we cannot undo the errors of the past. We have no choice now but to correct them, and to avoid repeating them.

STRENGTHENING THE WORLD ECONOMY

The achievement of greater balance and stability in our own economy is also important for international finance and trade. The dollar is not only our currency; it provides the principal vehicle for world trade and payments. We are the world's largest exporter and importer, and instability in the United States—whether it involves inflation or recession—has unsettling effects on the world economy. Inflationary pressures arising in the United States have added to inflationary problems in other countries in recent years. The long inflation has also weakened our trading position. However, with the restraining of excessive demand in 1969, the deterioration in our trade balance has been arrested.

I am particularly gratified to note improvements in the international monetary scene during the past year with the introduction of Special Drawing Rights and with the realignment of several important currencies. In cooperation with other countries, we are actively investigating other ways to make the international monetary system more stable and orderly, and to give more attention to international coordination and synchronization in the management of domestic economic policies.

Although a high and rising level of international trade can add to the prosperity of the United States and other countries, imports from time to time may cause domestic dislocations. Since the gains from international trade are enjoyed by the country as a whole, it is appropriate that the costs of trade-associated dislocations be spread more evenly. The trade bill presented to the Congress in November contains practical adjustment assistance and escape-clause provisions that would soften the impact of import competition in cases where it harms our own workingmen. It also includes the repeal of the American selling price method of tariff evaluation, a step which is important in reducing the nontariff barriers to U.S. exports.

Trade is vital to the progress of the less developed countries of the world. With other industrialized nations, the United States is exploring ways of enabling less developed nations to participate more in the growing volume of international trade.

SEVEN BASIC PRINCIPLES

Since this is my first Economic Report, it is in order for me to set out the basic principles that will continue to guide the management of economic policy in my Administration:

First, *the integrity and purchasing power of the dollar must be assured.* To re-create confidence in a secure future, we must achieve that reasonable stability of the price level which has been so severely eroded since mid-1965. The unfairness of a steeply rising cost of living must not again be inflicted on this Nation.

Second, *our economic policy must continue to emphasize a high utilization of the Nation's productive resources.* We must maintain a vigorous and expanding economy to provide jobs for our growing labor force.

Third, *we must achieve a steadier and more evenhanded management of our economic policies.* Business and labor cannot plan, and consumers and homebuyers cannot effectively manage their affairs, when Government alternates between keeping first the accelerator and then the brake pedal to the floor.

Fourth, *Government must say what it means and mean what it says.* Economic credibility is the basis for confidence, and confidence in turn is the basis for an ongoing prosperity.

Fifth, *we must preserve and sustain the free market economy in order to raise the standard of living of every American.* The most basic improvement in our national life during the last three decades has come through the doubling of real purchasing power that our free competitive economy has delivered to the average American family. No Government programs during that period begin to approach this doubling of real income per family as a source of our improving economic well-being. Government now has both the ability and the duty to sustain a general climate for stability and growth, but it must do so in the firm conviction that only a free economy provides maximum scope for the knowledge, innovativeness, and creative powers of each individual.

Sixth, *we must involve the American people in setting goals and priorities by providing accurate, credible data on the long-range choices open to them, making possible much better informed public discussion about using the resources we will have in meeting the needs of the future.* The 1970 Annual Report of the Council of Economic Advisers is a long first step in that direction.

Finally, *the free economy of the future will rest squarely on the foundation of genuinely equal opportunity for all.* Some, because of race or national origin, find themselves situated far back of the starting line in our economy. Others by the happenstance of health, accidental injury, education, or economic background are unable to participate fully in our economic life; still others become casualties of obsolete skills. We are deeply committed to make a reality of the promise of an equal opportunity in life, so that the fruits of our economic progress and abundance will become available to all. The national conscience demands it, human dignity requires it, and our free and open economic system cannot be fully effective without it.

Richard Nixon

February 2, 1970.

THE ANNUAL REPORT

OF THE

COUNCIL OF ECONOMIC ADVISERS

LETTER OF TRANSMITTAL

Council of Economic Advisers,
Washington, D.C., January 29, 1970.

The President:

Sir: The Council of Economic Advisers herewith submits its Annual Report, February 1970, in accordance with Section 4(c)(2) of the Employment Act of 1946.

Respectfully,

Paul W. McCracken,
Chairman.

Hendrik S. Houthakker.

Herbert Stein.

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CHAPTER 1

Economic Performance and Policy in 1969

THE GOALS OF STABILIZATION POLICY

THE AMERICAN ECONOMY began 1969 with production, incomes, and prices increasing rapidly from the momentum of earlier inflationary fiscal and monetary policies. As the year moved along, however, the economy began to respond to the constraints of policies which had been changed to combat inflation. The huge budget deficit had been closed with the aid of a tax increase in mid-1968, and the new Administration further tightened fiscal policy in 1969 by a sharp pruning of projected Federal outlays. Monetary policy also shifted its direction, becoming increasingly restrictive during the year.

This was not the ordinary problem of an economy that had veered momentarily toward excessive rates of expansion. It was the problem of an economy already in its fourth year of severe inflationary pressure. The momentum generated by 4 years of inflation was evident in widespread pressures for wage and price increases and in continuing expectations of more inflation. This momentum could not be stopped dead in its tracks without serious consequences. The policies of fiscal and monetary restraint followed in 1969 have reduced it, while at the same time they have laid the ground for a return to price stability and sound economic growth.

Continuation of fiscal and monetary restraint should bring a deceleration of inflation during 1970 and 1971. This will be an important step toward price stability, but it will not mean that the goal has been reached. History contains other instances in which inflation was slowed down or stopped only to break out again as policies shifted too sharply toward expansion. The Nation's goal should be more than just a year or two of declining rates of inflation. This time we should try to reach and maintain price stability.

The longer run goal of continuing price stability would not be served by a sharp or prolonged rise of unemployment. Such a development would be an evil in itself. In addition, by forcing a sharp shift toward expansionary policies, it would intensify the already difficult task of maintaining the restraint necessary for a lasting victory over inflation.

But inflations have seldom ended without a temporary rise in unemployment. While we must direct our efforts to altering the historical pattern, we cannot ignore the possibility that joblessness will rise in the period immediately ahead. But we cannot avoid this problem by allowing the current inflation to continue, for that would harden the expectations of inflation and make subsequent policies to curb it more difficult and harsh. The best hope of curbing inflation and restricting the rise in unemployment to a relatively small and temporary increase rests with a policy of firm and persistent restraint on the expansion in the demand for goods, services, and labor.

Such a policy should ultimately produce high employment with much less inflation than we have recently experienced. During the transition, we may find both unemployment and inflation to be higher than would have been desirable if the inflation had not been allowed to persist so long. This is the price we must pay for having long pursued inflationary policies. Once inflation has been set in motion, there is no way of correcting it without some costs. The aim of policy is to keep the costs as low as possible.

Over the longer run, further progress in reducing unemployment and getting as close to a stable price level as possible is dependent upon holding aggregate demand to moderate and sustainable rates of growth. It will require other measures as well. Public policies can help improve the efficiency of labor markets by providing information, opportunities for training, and assistance in relocation. Persistent effort in these and other ways to make the economy more flexible and adaptable will contribute to lower unemployment rates and to a more stable price level.

THE STRATEGY OF POLICY IN 1969

The current inflation was generated by the mounting budget deficits and rapid monetary expansion that began in 1965 with the escalation of the Vietnam War and the massive increases in Federal spending for domestic programs. These developments stimulated demand for output and labor at a pace which could not be met by growth in the labor force and other productive resources. The resulting pressures caused prices to rise rapidly. Any plan for arresting the inflation called fundamentally for arresting the forces which were causing it. In addition, it was clear that slowing down the inflation after it had gathered momentum would be more difficult than taking the steps necessary to avoid the inflation initially.

Steps to end rising budget deficits and to slow down monetary expansion had been taken in 1968. The Revenue and Expenditure Control Act of June 1968 had helped to shift the budget from a deficit of $25 billion in the fiscal year ended June 30, 1968, to a surplus estimated in January 1969 at $2.4 billion for the fiscal year 1969. Near the end of 1968, the Federal Reserve had turned to a policy of more restrained monetary expansion. Each of these moves, however, was only a beginning. Once they had finally been taken, it was important that they remain in force long enough to do the job. Yet the shift in the budget position to surplus had been achieved with the help of a temporary tax surcharge which was scheduled to expire on June 30, 1969. With continuing strong pressure for increased expenditures in fiscal year 1970, the danger of sliding back into a budget deficit could not be ignored. Nor could it necessarily be assumed that the new and more restrained monetary policy would continue as long as needed. In 1966 monetary tightness had contributed to a dampening of the economy and of the inflation, but the economic slowdown led in turn to a shift back to highly expansive policies in 1967 and to a resurgence of inflation. It was commonly thought that this pattern might be repeated.

At the beginning of 1969, as earlier, there were disagreements among economists about the relative roles of rising budget deficits and rapid monetary expansion in causing the inflation of 1965–68. On one view the rising deficits were the driving force and they would have been enough to cause substantially the inflation that was experienced, even if there had been much less monetary expansion. On the other view the rapid monetary expansion was the primary factor; with it there would have been substantial inflation even with a stable budget policy, and without it there would have been little inflation even with rising deficits. These different views led to different emphases in policy prescriptions for 1969. Following the one theory the critical matter was at least to stabilize the budget in its current position of moderate surplus. According to the other theory a reduction of the rate of monetary growth was the decisive way to slow down the inflation.

The Government could not prudently let the control of inflation depend on the choice of one of these strategies to the neglect of the other. Many uncertainties exist about the relative power of fiscal and monetary actions taken separately. There is much less doubt about the power of fiscal and monetary actions taken together. A reliable policy had to turn away from both the rising deficits and the rapid monetary expansion.

DIRECT INFLUENCE ON WAGES AND PRICES

The Administration's plan of policy for 1969 did not include an attempt to revive wage-price guideposts, such as those existing in 1962–66. The results of our own experience and numerous trials of such policies in other countries over the preceding 20 years did not justify confidence that such efforts would help solve the inflation problem in 1969.

In their usual form these policies enunciate general standards of non-inflationary price and wage behavior, coupled with appeals to labor and business for compliance. The degree to which representatives of labor and business have participated with government in defining standards and seeking compliance has varied from country to country. The sanctions invoked in support of the standards are usually informal and have varied in their severity and nature.

Experience with such policies in other countries has been remarkably consistent. In some cases success in holding down wage settlements or price increases has been achieved in particular industries. There is usually a period in which these programs may have some overall deterrent effect, though evidence here is less certain. After an interval, however, there is a point at which accumulating pressures make the programs ineffective.

American experience conformed to this pattern. In January 1962, the Council of Economic Advisers promulgated a set of guideposts intended to describe the course of wages and prices that would be consistent with general price stability and certain other objectives. The main element in the statement of these guideposts was that hourly wages should rise in line with the average long-term gain in output per man-hour. Prices should ordinarily be stable; but in a particular industry they could rise if productivity rose less than the average, and they should fall if productivity rose more than the average. A number of exceptions were specified—and indeed these were necessary—to meet requirements of equity and efficiency.

As originally put forth the guideposts were to serve a general educational function of encouraging voluntary patterns of behavior that would be noninflationary. There was no suggestion that the Government would apply them in particular cases or try to enforce them. But it was natural to question whether actions in particular cases conformed to the guideposts, and the Government felt it necessary to comment on the justification for these actions. Once this threshold had been crossed, the Government also became involved in attempting to insure compliance in particular cases where it was considered necessary. Usually the attempt consisted of discussions with the persons involved. Sometimes there were public exchanges of charges and countercharges. In some cases the Government relied upon its power as purchaser, regulator, and law-enforcer to encourage compliance.

With the upsurge of inflation and inflationary pressure after mid-1965, the difficulty of reconciling the guideposts with market forces became more intense. Labor and business were being asked to act as if prices were not rising, when in fact they were. As it became evident that steps necessary to keep prices from rising were not being taken, it also became more obviously unrealistic and inequitable to make these requests in specific cases. By the fall of 1966 the policy was widely recognized to be unworkable, and it was allowed to fade away. In subsequent years, there were only episodic actions with specific companies regarding prices.

Whether the policy changed the overall behavior of the price level before it ran into intense inflation is uncertain. These were years of relative price stability. But they were also years of considerable slack in the economy, relatively high unemployment, and stable or declining farm prices. That is, they were years in which market conditions favored price stability. Econometric studies attempting to isolate a further contribution that guideposts might have made to price stability have produced uncertain results. The findings of some studies are consistent with the view that the guideposts may have had some effect in reducing the increase of the price level; other studies do not support this conclusion.

Whatever the uncertainties about this earlier period, the guidepost policy clearly did not work once the economy ran into strong and serious pressures of inflationary demand. By that time the question was not whether guideposts would have a measurable influence on the rate of inflation. It was whether they had any credibility and viability at all. The evidence is that they did not. The conspicuous cases in which guidepost policy could exercise some influence were too few and were overrun by the general tide of inflation in the economy as a whole.

The Administration in 1969 recognized that the speed of the disinflationary process would depend in part upon how quickly business and labor became convinced that the economic climate was changing. If business and labor continued to expect demand and prices to rise rapidly, and if they pushed up wages and prices in anticipation, disinflation would come slowly and more painfully. This meant that the public's understanding of the determination to check inflation, of the policies being pursued and of the progress being made would be important to success. There would be room and need for efforts to inform the public. But first there would have to be evidence that the new policies were actually working.

In the exercise of its ordinary functions the Government has a considerable influence on conditions of demand and supply and consequently on prices in particular markets. It would be important for the Government to make sure that its influence did not unnecessarily contribute to inflation in those markets, and beyond that to try to correct malfunctions in particular markets which might aggravate the consequences of the general inflation.

THE EXPECTED CHAIN FROM POLICY TO RESULTS

As the process was viewed at the beginning of 1969, the fiscal and monetary restraint that was the core of anti-inflation policy would slow the rate of inflation through a series of steps which can be summarized as follows:

A Slowdown in the Growth of Total Spending

The growth in aggregate spending for goods and services as measured by gross national product, which was 9 percent from 1967 to 1968, would be reduced. The Federal Government's own purchases would not rise so fast, nor would its payments to State and local governments and to individuals—payments which these sectors ordinarily use to make their own purchases. By avoiding the tax reduction scheduled for midyear, the Government would refrain from boosting private after-tax income and consequently from stimulating private spending.

Monetary restraint and the resulting scarcity and high cost of credit would slow down spending in various ways. Expenditures financed by borrowing—for new houses, for State and local construction projects, for business investment, and for consumers' durables—would be most directly affected. In addition, money balances would decline in relation to rising incomes and transactions, and the market value of other assets would be depressed because of higher interest rates. This would dampen the inclination of businesses and consumers to spend. These effects of monetary restraint on spending would not be immediate or follow a precise formula based on the amount of the restraint, but they would come if the restraint continued.

A Decline in the Rate of Growth of Production

The slowdown in the growth of purchases would mean a slowdown in the growth of sales; businesses cannot sell what others do not buy. Some businesses might respond to a decline in the growth of sales by allowing inventories to accumulate rather than by cutting their planned output, but this could only be a temporary reaction. Others might respond to a slowdown in the growth of sales by cutting prices in an attempt to keep volume up. But this was not likely to be the first response in 1969. Having already experienced several years of rapidly rising demand, costs, and prices, businesses would expect more of the same, and for the most part they would keep their own prices up and rising.

The most general and important response of business to a slowdown of sales would be a slowdown in the rate at which production was increasing. Initially this would involve a decline in the rate of growth and possibly some temporary decline in production itself. An absolute decline in output, however, would not be a necessary aspect of the disinflationary process. In a growing economy the labor force is increasing, new productive equipment is being added, new technology is being introduced, and the basic trend of labor productivity is rising; this means that the potential output of the economy also grows. Therefore, even though output is still rising absolutely, a slowdown in the rate of growth of output reduces actual production relative to its potential and is an anti-inflationary force. This is a part of the process that eventually builds up those back pressures which are essential to the development of a new stability in the level of costs and prices.

A Decline in Profits Per Unit

A deceleration in the rate of growth in real output would adversely affect productivity in the short run. The movement of fixed costs per unit of output would thus be less favorable for a time. After a sustained period of expansion and labor shortages, employers would tend to maintain work forces, and payrolls would tend to be fixed. The deterioration in productivity and increased costs per unit of output would reduce profits per unit. While even higher prices might consequently seem necessary, and while in many cases they might be posted, market conditions would make it difficult for such prices to hold, and the major effect would be heavier pressure on businesses to begin actions to reduce costs. The need to improve productivity and thereby pare unit labor costs would make labor "hoarding" more costly. Employment at overtime would diminish and layoffs would become more common.

A Slowdown in Wage Increases

As profits per unit weakened, employers would become more resistant to granting wage increases. At the same time, a softening labor market would lessen workers' insistence on large wage increases as a condition for employment, since they could not be so sure of finding another job quickly if they left a current one or rejected a new offer. Moreover, if business profits were less favorable, a major rationale for heavy wage demands would be removed. As a consequence, the average rate of wage increase would ultimately begin to diminish. However, in view of the momentum of past increases in wages and the cost of living, this could not be expected to happen quickly. Nor could it be expected to happen evenly in all sectors.

A Slowdown in Price Increases

While, as already indicated, the unfavorable development in profits would create some incentive to mark up prices, more sluggish market conditions would encourage businesses to pursue temperate pricing policies, especially as this influence began to be reinforced by a slowdown in the rise of wage rates and unit labor costs. The reductions in wage and price increases would tend to reinforce each other. The longer price increases moderated, the weaker would become the expectation of further inflation. In turn, business and labor would be increasingly inclined to respond to the waning inflation by making appropriate price and wage adjustments, in preference to accepting a lower volume of production and less employment. With this change the economy would be on the road to regaining full employment without setting off another round of inflation.

* * *

At the beginning of 1969 no one knew how much of this process might occur during the year. As this Council indicated in its testimony before the Joint Economic Committee in February 1969, the growth of demand would be slowed only a little in the first half of the year, because demand was strong at the outset and the turn to monetary restraint just before the year opened would not have had much time to work. A more marked slowdown of demand was likely for the second half. At first almost all of the slack in demand would probably be taken up by a slowdown of production. Price and cost trends at the beginning of the year were too strong to be deflected by the moderate deceleration expected in the first half. But it could be expected that after midyear the slower growth of real output and of employment would create sufficient excess in the supply of products and labor to begin to have visible effects on price and wage increases. By the end of the year the rate of inflation would be lower than at the beginning. The effects to that point might not be great. Still, the economy would have crossed the threshold from a state of accelerating inflation to one of decelerating inflation, and we could count on making further progress.

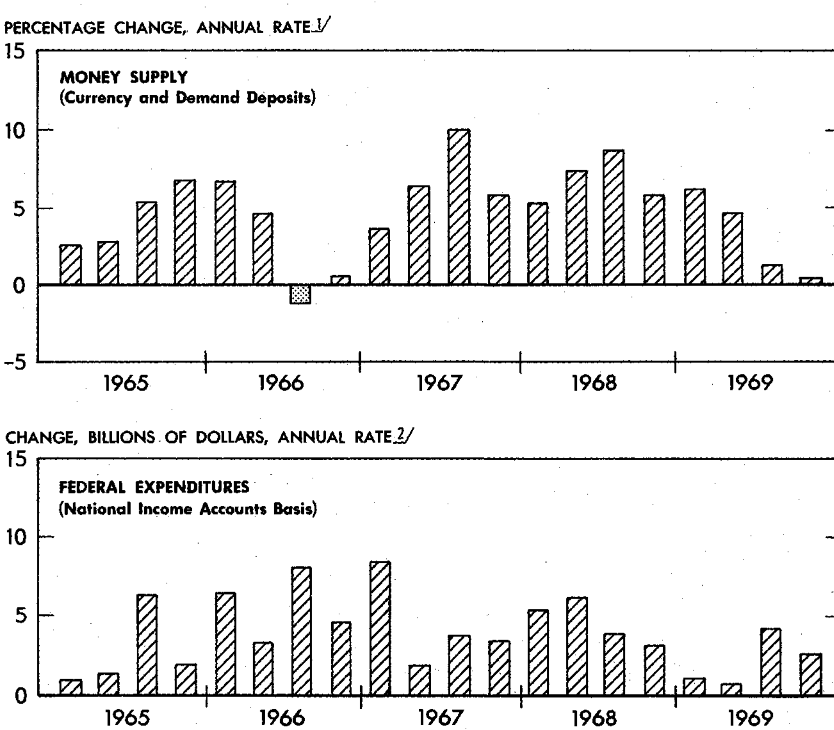
THE RECORD IN 1969

Fiscal and monetary policies in 1969 followed the general course that seemed desirable at the beginning of the year. In general the economy responded to those policies by moving through some of the stages just outlined—more slowly than was expected at the beginning of 1969 but in a manner that confirmed the initial view of the necessary stages in the process. The policy and economic developments of the year are summarized in the next few pages after which the main elements in the story are told in greater detail.

The contribution of fiscal policy to disinflation was a slowdown in the growth of Federal spending and the maintenance of a moderate budget surplus. During calendar 1969 Federal expenditures (as measured in the national income accounts) increased by about \$9 billion as compared with about \$20 billion a year in the 3 preceding years; and the budget surplus amounted to almost \$10 billion for the year as compared with a deficit of \$5 billion in 1968. Monetary policy reduced the rate of growth of the money supply (demand deposits and currency) from 7.2 percent in 1968 to 2.5 percent in 1969. The reduction occurred in successive steps that brought the rate of growth close to zero in the fourth quarter (Chart 1).

Chart 1

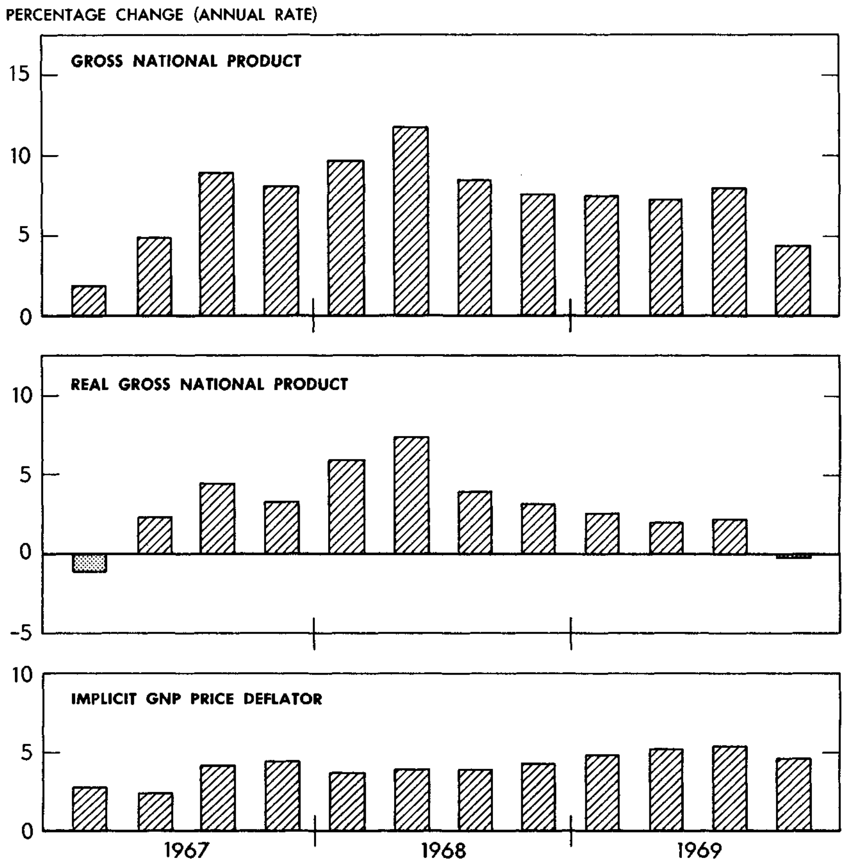
Changes in the Money Supply and Federal Expenditures



1/ BASED ON SEASONALLY ADJUSTED QUARTERLY AVERAGES OF DAILY FIGURES.
2/ SEASONALLY ADJUSTED.
SOURCES: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM AND DEPARTMENT OF COMMERCE.

Chart 2

Changes in GNP, Real GNP, and GNP Deflator



NOTE: BASED ON SEASONALLY ADJUSTED DATA.
SOURCE: DEPARTMENT OF COMMERCE.

As the year progressed, it became more and more likely that these developments which led to accelerating inflation were transitory. Profits reported by corporations declined after the middle of the year. Also, the slower growth of total output—including an actual decline of industrial production—began to be translated into slower growth of employment and reduction of working hours. This combination of conditions marked a necessary step toward a subsequent decline in the rate of inflation.

FISCAL DEVELOPMENTS

The operating objective of fiscal policy in 1969, initially and throughout the year, was to keep a budget surplus at least as large as had been achieved by the Revenue and Expenditure Control Act of 1968—in the neighborhood of $3 billion to $5 billion. The first step in the process of fiscal control was a review of the budget for fiscal 1970 that the outgoing Administration had submitted. A program-by-program examination indicated that $4.0 billion could be cut from the 1970 totals. Of this amount, $1.1 billion would come from reducing defense outlays, $1.0 billion from deferring increases in Social Security benefits, and $1.9 billion from cuts in a wide range of other Federal programs. As a result, the Administration announced in April its intention to hold fiscal 1970 expenditures to $192.9 billion.

During 1969 the necessary costs of certain "uncontrollable" items, such as interest on the debt, Medicare, public assistance, civil service retirement, and veterans benefits increased beyond the earlier estimates. At several points Congressional action also increased expenditures. In order to hold to the $192.9 billion total for fiscal year 1970, the Administration therefore announced further cuts in mid-September amounting to $3.5 billion, of which $3.0 billion was in the defense program.

Adherence to the $192.9 billion ceiling required not only making these gross reductions of $7.5 billion in existing programs but also firmly resisting proposals, originating in Congress, that would have required spending many billions of dollars for new programs or program expansions. By the beginning of 1970 it was clear that the ceiling could not be maintained for the entire fiscal year. For calendar year 1969, however, the tight restraint on expenditures allowed fiscal policy to contribute to the fight against inflation.

The initial review of the budget also revealed that, in order to avoid an abrupt shift from surplus to deficit, it would be necessary to extend the 10-percent income tax surcharge, scheduled to expire on June 30, 1969, and to defer the scheduled reduction of the excise taxes on automobiles and telephone services. Accordingly, in March the President recommended their retention, with the 10-percent surcharge to continue until June 30, 1970.

Subsequent consideration of the longer-range issues led the Administration to conclude that the 7-percent tax credit enacted in 1962 to stimulate business investment should be repealed. The national priorities of the 1970's did not require or justify this special incentive.

Once the decision was made to ask for repeal of the investment credit, the repeal had to be effective immediately, in order to minimize disruptions from heavy advance order placements. Thus, although the repeal served a long-run objective, there would be some revenue increase in the short run, and therefore a gradual phasing out of the tax surcharge was possible. Consequently, on April 21, when the Administration asked for repeal of the investment credit, it also recommended that the surcharge rate be reduced to 5 percent on January 1, 1970, and then allowed to expire on June 30.

The extension of the surcharge was the subject of prolonged debate in Congress. Extension for the last 6 months of 1969 was not signed into law until August 7, and extension for the first 6 months of 1970, at the 5-percent rate, did not become law until December 30. Continued uncertainty about tax prospects, which raised doubts about how determined the fight against inflation was going to be, contributed to the persistence of an inflationary psychology during the year.

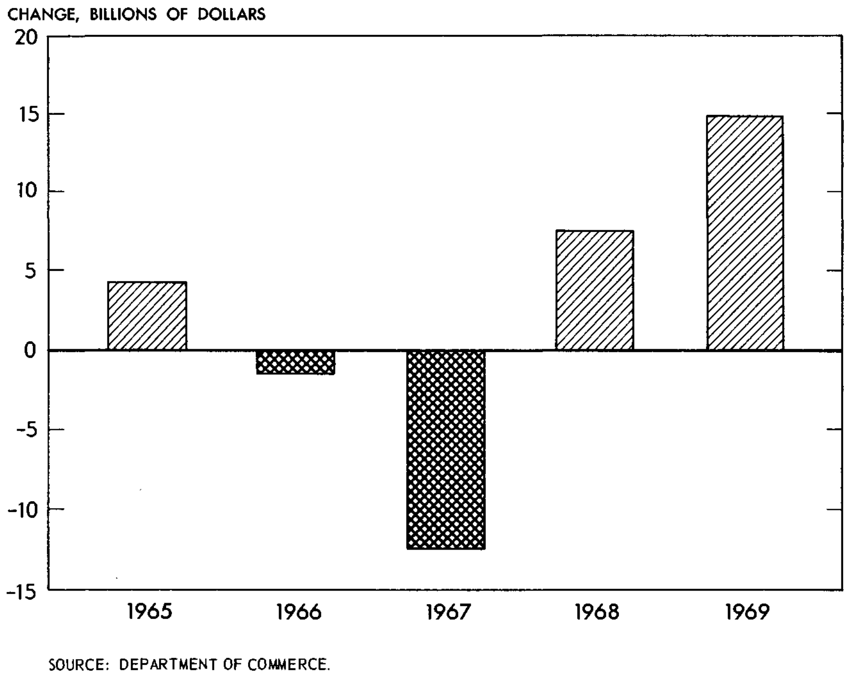
As already indicated, the growth in Federal expenditures slowed down substantially in 1969. The Federal pay raise that went into effect on July 1, 1969, accounted for about one-third of the year's increase. Federal purchases of goods and services, including the pay raise, increased by approximately $1 billion from the end of 1968 to the end of 1969. All other Federal expenditures combined, however—Social Security and other transfers, grants to States and localities, net interest paid, and subsidies—continued their upward trend, though at a somewhat more moderate pace. Among these, net interest paid rose because of sharply higher interest rates.

On the revenue side, the increase in Social Security tax rates on January 1, 1969, from 8.8 to 9.6 percent, added about $3 billion to collections in 1969. During the year other tax rates were stable, except that the elimination of

Chart 3

Changes in Federal Surplus

National Income Accounts Basis



SOURCE: DEPARTMENT OF COMMERCE.

the investment tax credit effective April 21, 1969, increased total tax liabilities for calendar 1969 by $0.9 billion; only the corporation share of this, $0.5 billion, is counted as Federal receipts within calendar 1969 in the national income accounts. Only a small part of eligible investment made in 1969 lost the advantage of the tax credit because of the rather long leadtime between order placement and expenditures. Total Federal receipts (as measured in the national income accounts) rose by more than $15 billion from the fourth quarter of 1968 to the fourth quarter of 1969.

The reported figures distort the pattern of receipts and consequently of the budget surplus during the year, because the insufficient withholding of personal income tax payments in 1968 increased final settlements in the first half of 1969. A correction for the bunching of these payments would show that the surplus stayed within a fairly narrow range during the year. (Year-to-year changes in the surplus are shown in Chart 3.)

MONETARY RESTRAINT

Last February, Chairman Martin described the goal of Federal Reserve policy as being "to disinflate without deflating." It was difficult to tell then, or later in the year, however, what rate of growth in the money supply would in fact achieve this general goal. Certainly it was necessary that the money supply grow more slowly than the 7.2-percent increase of 1968. In the circumstances of 1969, with interest rates high and rising and with strong and spreading expectations of inflation, businesses and families would be likely to hold declining money balances in relation to their income. Therefore, to bring about even a moderate slowdown in demand for goods and services might require a very low rate of monetary growth—lower than would be consistent with prosperity in a more stable economy. Past experience, however, threw little light on the requirements of this transitional period, and policy had to be tentative and watchful.

During the first half of 1969 the growth of the money supply fell to a seasonally adjusted annual rate of 4.4 percent. (Before revisions in the data were made in late summer, the first half growth had appeared to be lower.) For the second half the policy became even more restrictive, and growth in the money supply was only 0.7 percent at an annual rate (Chart 1). For the year as a whole, time and savings deposits at commercial banks declined by 5.2 percent, as market interest rates rose well above the ceiling rates that banks could pay on these deposits and thus diverted funds to market securities.

The Federal Reserve restricted monetary growth primarily by reducing the expansion of its monetary liabilities. Although currency outside banks expanded during 1969 by 6.0 percent, almost as much as the 7.4 percent expansion in 1968, total reserves of commercial banks (adjusted for changes in reserve requirements) were practically constant for 1969, whereas they had increased 7.8 percent for 1968. Other restrictive steps were also taken in April. The discount rate on loans to member banks secured by U.S. obligations or other eligible paper was raised from 5½ to 6 percent, and reserve requirements on demand deposits at all member banks were raised one-half of a percentage point.

THE FLOW OF CREDIT

One way in which the monetary restraint was transmitted to the economy was through its effect on the supply of credit. Banks were less able to expand credit through increases in the money supply. Also, as the year went on, the combination of continued slow growth of money and rising transactions and income lessened the inclination of individuals and businesses to reduce

TABLE 1.—*Funds raised in credit markets, nonfinancial sectors, 1968–69*

[Billions of dollars; seasonally adjusted annual rates]

Borrowing sector	1968				1969		
	I	II	III	IV	I	II	III
Total funds raised	94.2	81.5	117.7	95.2	96.3	88.8	100.9
Change in U.S. Government cash balance outside Federal Reserve	−5.3	−16.2	26.4	−9.6	−5.7	−9.2	14.8
Net funds raised	99.5	97.7	91.2	104.8	101.9	97.9	86.1
U.S. Government net of cash balance	25.5	25.5	2.9	4.1	5.2	−9.6	.3
Other sectors	74.0	72.2	88.3	100.7	96.7	107.5	85.8
State and local governments	8.2	5.5	12.8	14.3	12.1	11.8	7.4
Business	32.0	35.6	39.9	48.7	47.9	54.4	45.1
Households	29.4	29.1	33.0	34.7	30.9	33.1	28.1
Home mortgages	15.5	14.2	14.2	15.6	15.6	17.1	15.6
Foreign	4.4	2.0	2.6	2.9	5.7	8.2	5.2

Note.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

their money balances further in order to acquire other financial assets. Whereas earlier the restraint on bank lending could be made up by more borrowing from other lenders who started the year with ample liquidity, this solution became more difficult as the year progressed. The tightening of credit supplies affected borrowing on the open market as well as through financial intermediaries. As a result, by the third quarter of 1969 total funds raised in credit markets, net of changes in Treasury cash at commercial banks, were nearly 20 percent less, seasonally adjusted, than in the fourth quarter of 1968 (Table 1). Most of this decline came in the third quarter.

A dramatic turnabout was made, of course, by the Federal Government. On a seasonally adjusted net basis, it changed from a heavy borrower in the first half of 1968 to a moderate borrower through the first quarter of 1969, then to a substantial lender in the second quarter; in the third quarter it borrowed only a small amount on a net basis. As a result, even though the net funds raised by all sectors declined in the second quarter of 1969, the net funds raised by borrowers other than the Federal Government actually increased. In the third quarter, however, when the Federal Government was not active in the market on a net basis, borrowing of all other sectors declined and, consequently, total net funds obtained fell sharply.

This restraint in the amount of credit being supplied occurred in the face of an unusually strong private demand for credit. In addition to the strong demand which ordinarily accompanies a high level of economic activity, the expectation of more inflation acted as a further stimulus to borrowing. The fact that inflation had been accelerating since 1965 intensified expectations of future price increases. Individuals and businesses, seeing an opportunity to invest in real assets that would be expected to increase in money value with inflation, were eager to borrow in the expectation of repaying with dollars of reduced purchasing power. They were willing to pay high interest rates because they believed that inflation would substantially reduce the real cost of those rates. On a loan made at the beginning of a year at an 8-percent interest rate and repaid at the end of a year in which prices have risen by 4 percent, the return on the loan in real purchasing power is, of course, about 4 percent.

In these circumstances interest rates would have risen even if the money supply had continued to rise rapidly, as happened in 1968. But the curtailment of monetary expansion in 1969, and the curtailment of the supply of credit that accompanied it, temporarily raised interest rates even more. Until the slowdown of monetary expansion could reduce economic expansion and lessen the expectation of inflation, an extraordinary demand for credit would collide with a more restricted supply, and interest rates would soar.

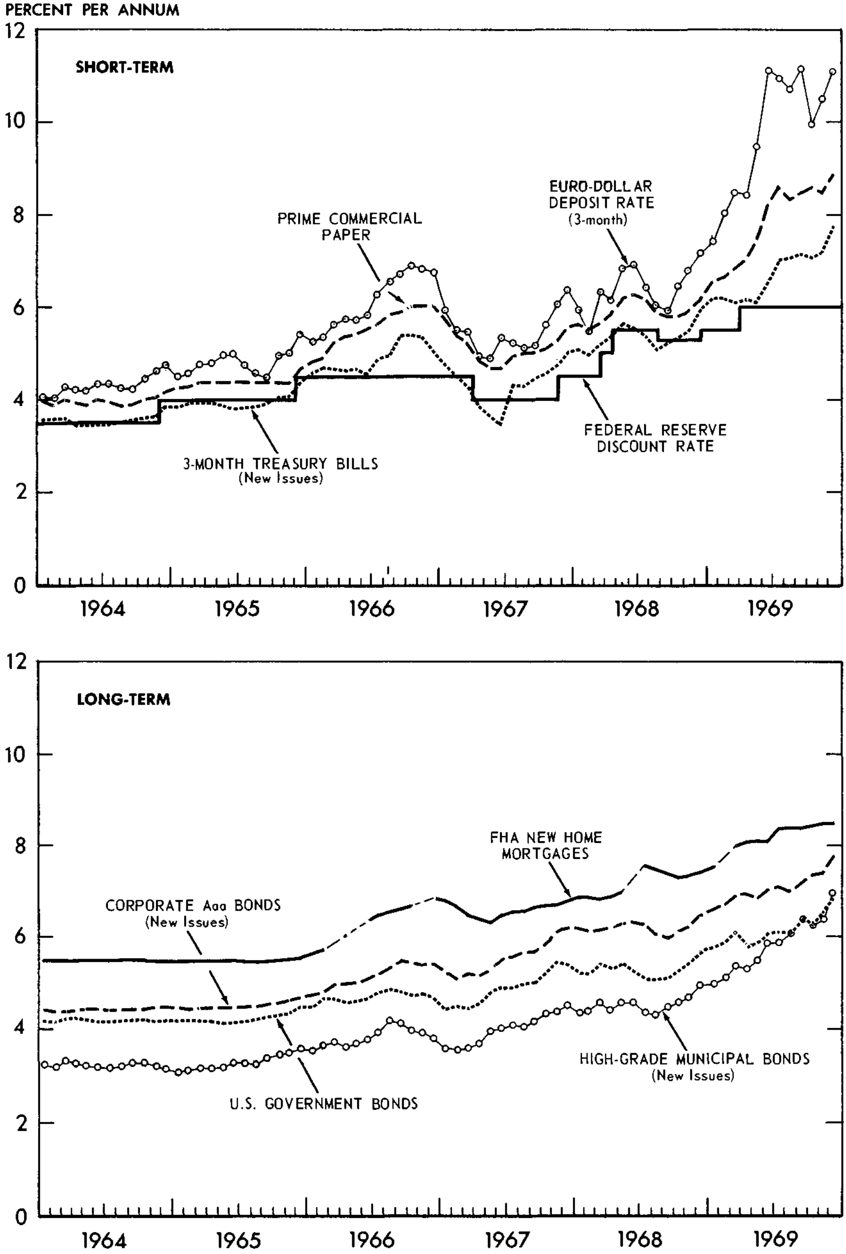
In fact interest rates did soar in 1969 (Chart 4). By the end of 1969, most interest rates had climbed around 4 percentage points above their 1965 level. One must consult records for the Civil War and earlier to find comparable interest rates. And the steepness of the advance, on long-term as well as short-term securities, may well have been unprecedented.

The high interest rates of 1969 substantially altered financial flows, in large part because legal ceilings put some borrowers at a disadvantage and shunted funds to unrestricted parts of the market. Ceilings on deposit interest rates were particularly important. The maximum interest rates that banks could pay on time and savings accounts and on certificates of deposit had not been changed since April 1968, while market interest rates increased sharply. As a result, commercial banks could not compete, and large certificates of deposit outstanding fell from $22.8 billion at the end of 1968 to $14.7 billion at the end of June, and to $10.8 billion at year-end 1969. (The ceiling rates were adjusted upward in January 1970.)

The two other financial institutions subject to deposit-rate ceilings, mutual savings banks and savings and loan associations, also felt the competition for funds. They experienced heavy withdrawals, and their net growth declined substantially. Time and savings deposits which the public held with

Chart 4

Interest Rates



SOURCES: TREASURY DEPARTMENT, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FEDERAL HOUSING ADMINISTRATION, MOODY'S INVESTORS SERVICE, AND STANDARD & POOR'S CORPORATION.

all deposit-type financial institutions grew by $33.1 billion in 1968 but declined by $20.5 billion at an annual rate during the third quarter of 1969. Life insurance companies also faced heavy demands for automatic policy loans, since the standard 5-percent rate on such loans became a bargain as other interest rates rose.

TABLE 2.—*Changes in deposits and selected nondeposit sources of bank funds, 1968–69*

[Billions of dollars]

Selected source of bank funds	Change from preceding period					
	1968	1969	1969, not seasonally adjusted			
			I	II	III	IV
Commercial bank time and savings deposits	22.2	−10.8	−0.4	−2.6	−6.3	−1.5
Negotiable certificates of deposit	2.8	−12.0	−4.0	−3.5	−3.6	−.9
Other time and savings deposits	19.4	1.2	3.6	.9	−2.7	−.6
Selected nondeposit sources of bank funds	(1)	13.0	[2]10.2		2.2	.6
Euro-dollar borrowing [3]	1.8	7.0	3.6	3.6	1.1	−1.3
Direct foreign borrowing [4]	(1)	1.7	[2]1.0		.1	.5
Commercial paper [5]	(1)	4.2	[2]1.2		1.4	1.6
Loan RP's [6]	(1)	.2	[2].8		−.3	−.3

[1] Not available.
[2] Change during first half of 1969.
[3] Bank liabilities to foreign branches.
[4] Euro-dollars borrowed directly or through brokers and dealers, and liabilities to banks' own branches in U.S. territories and possessions.
[5] Paper issued by a bank holding company, affiliate, or subsidiary.
[6] Loans or participations in pools of loans sold under repurchase agreements to other than banks and other than affiliates or subsidiaries.

Source: Board of Governors of the Federal Reserve System.

Commercial banks were able to offset deposit withdrawals at first by tapping other sources of funds. They borrowed more heavily in the Euro-dollar market, negotiated repurchase agreements of their loans with corporations, and expanded commercial paper issued by subsidiaries and affiliates. In total, as shown in Table 2, banks raised about $10.2 billion by these devices during the first half of 1969.

Later in the year the Federal Reserve took steps to make the use of these sources more expensive to banks. Most repurchase agreements had to be treated like deposits after August 27 and were thus subjected to reserve requirements and interest-rate ceilings. In effect, this prohibited their further use. Euro-dollar borrowings above May levels were also subjected to reserve requirements beginning in September. Banks did not raise additional funds from these sources after midyear. Commercial paper sales continued to grow, however, and provided $3.0 billion more in the second half. (Recent proposals, not yet effective, would bring these sales under either reserve requirements or interest rate ceilings, or both.) To meet heavy demands for loans, commercial banks also sold U.S. and municipal securities, depressing the bond market, and they traded actively in the Federal funds market. With time deposits declining and nondeposit sources of funds quite costly, large commercial banks made the terms of their lending more restrictive, and the expansion of business loans slowed significantly after midyear.

The funds withdrawn from or not placed in banks or other financial institutions were not lost to the supply of credit. Funds returned by way of the open market. This can be seen in the shift in the composition of assets acquired by households and nonfinancial businesses. Households accumulated only $2.1 billion in money and savings deposits at a seasonally adjusted annual rate during the third quarter of 1969, far below usual amounts, and diverted their savings increasingly into market instruments because of the much higher yields. They invested at an annual rate of $29.1 billion in all credit market instruments in the third quarter of 1969, well above any quarterly rate in recent years. Most of this was accounted for by the purchase of $27.4 billion of U.S. Government and agency securities. Nonfinancial corporations withdrew funds from time deposits at an annual rate of $12.3 billion in the third quarter of 1969 and purchased $13.3 billion (annual rate) of commercial paper.

TABLE 3.—*Sources and uses of funds, nonfarm nonfinancial corporate business, 1968–69*

[Billions of dollars; seasonally adjusted annual rates]

Source or use of funds	1968				1969		
	I	II	III	IV	I	II	III
Sources, total	109.9	101.3	110.5	118.9	118.0	114.0	108.6
Internal funds	59.1	63.9	65.3	64.1	62.9	62.7	62.9
Credit market instruments	25.7	26.6	31.1	40.7	38.7	43.6	36.2
Stocks	1.3	−.6	−1.9	−2.2	.1	2.4	1.6
Bonds and mortgages	16.4	18.3	18.0	22.2	20.1	16.1	15.7
Bank loans	3.7	6.7	9.8	18.2	12.7	12.6	7.8
Other loans	4.4	2.2	5.1	2.6	5.9	12.5	11.1
Trade debt and tax liability	18.9	2.9	6.0	8.3	8.4	4.6	7.8
Other liabilities	6.2	7.9	8.1	5.8	8.0	3.1	1.7
Uses, total	102.7	93.4	104.7	112.4	111.6	107.3	103.6
Acquisition of financial assets:							
Liquid assets	13.7	8.4	13.5	4.5	8.0	1.8	−6.1
Consumer and trade credit	16.9	10.4	18.5	19.6	15.7	15.6	17.1
Other assets	1.4	−2.3	−3.5	4.6	3.2	4.1	2.9
Capital expenditures	70.7	76.9	76.2	83.7	84.7	85.8	89.7
Discrepancy (sources less uses)	7.2	8.1	5.7	6.5	6.4	6.7	5.0

Note.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

Businesses which could borrow on the open market were able to meet their credit needs despite this shift in fund flows from financial intermediaries to credit market instruments. Although the third quarter of 1969 saw a decline in the funds raised by businesses in credit markets compared with the second quarter, the total of funds raised represented an annual rate higher than during most of 1968. Businesses expanded capital expenditures steadily during the first 3 quarters of 1969 despite little increase in the generation of funds internally and a decline in their borrowing from banks

(Table 3). They made up the difference in large part by selling liquid assets. In the third quarter, nonfinancial corporations sold liquid assets at an annual rate of $6.1 billion, whereas these corporations are typically net purchasers of liquid assets, often by substantial amounts.

For the housing sector the job of tapping the open market to find the funds no longer available through private financial intermediaries fell upon federally sponsored agencies, chiefly the Federal National Mortgage Association and Federal Home Loan Banks. These agencies stepped up their support of the mortgage market substantially. Their annual rate of support for residential and farm mortgages, furnished either directly by purchases of mortgages or indirectly through loans to savings and loan associations, increased from $3.0 billion in all of 1968 to a $10.3 billion annual rate in the third quarter of 1969. This represented 47 percent of the total supply of noncommercial mortgages, as compared with 14 percent in 1968. Despite this increased assistance, the growth of total mortgage credit declined in the fourth quarter.

The support of mortgages by federally sponsored agencies was financed by issuing securities, which competed with other financial assets and to some extent depleted private sources supplying the mortgage market. Total issues of sponsored Federal credit agencies, made mainly for mortgages, rose from $3.2 billion in 1968 to a $12.3 billion annual rate in the third quarter of 1969.

The largest and earliest decline in net funds raised outside of the Federal Government was experienced by State and local governments. By the third quarter their acquisition of credit was one-fourth below the 1968 rate. Many States and localities were prevented from borrowing in 1969 by legal ceilings on the interest rates they could pay. Also, during parts of the year the market was disturbed by uncertainty about possible changes in the tax status of State and local securities in addition to heavy selling of these securities by commercial banks.

THE DEMAND FOR OUTPUT

The policies of fiscal and monetary restraint and the associated credit stringency, described earlier, affected the behavior of the economy by slowing down the total demand for output.

Total expenditure for goods and services (gross national product or GNP) rose $67 billion from 1968 to 1969, when it reached $932 billion. This was an increase of 7.7 percent as compared with the 9.1 percent rise from 1967 to 1968 (Table 4).

A major factor in the slower growth of spending was the slower increase of Federal purchases, mainly for defense. In fact, GNP other than Federal purchases rose as much in 1969 as in the preceding year. The most marked shift within the non-Federal total was the much larger increase in business fixed investment and the much smaller increase in residential construction than had occurred in the preceding year. These movements were at least partly related. The large absorption of funds to finance business

TABLE 4.—*Changes in gross national product and components, 1968–69*

[Billions of dollars]

Component	Change from preceding period					
	1968	1969 [1]	1969, seasonally adjusted annual rates			
			I	II	III	IV [1]
Gross national product	72.2	66.6	16.2	16.1	18.0	10.3
Federal Government purchases	8.8	2.5	-.3	-1.0	2.6	-.5
Non-Federal purchases	63.4	64.1	16.5	17.1	15.4	10.8
State and local government purchases	11.4	12.0	3.7	3.8	1.5	2.4
Fixed investment	10.4	12.5	5.2	1.9	2.0	2.0
Nonresidential	5.1	10.5	3.8	2.5	3.3	1.9
Residential structures	5.2	2.0	1.4	-.6	-1.3	.2
Personal consumption expenditures	44.3	39.4	11.3	10.8	7.0	9.4
Net exports of goods and services	-2.7	-.4	.3	.1	1.1	-.1
Change in business inventories	-.1	.7	-3.9	.3	3.8	-2.9

[1] Preliminary.

Note.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

investment, together with tightening monetary conditions, meant that less funds were available to finance residential construction. Monetary restraint also had some effect on State and local government purchases, which nonetheless continued to rise at a much higher rate than GNP.

The main categories of GNP other than Federal purchases and net exports are reviewed below. Exports and imports are discussed in Chapter 5.

Fixed Investment by Business

Business demand for plant and equipment was strong throughout 1969 and offered stubborn resistance to restraint even though the rate of expansion moderated within the year. The 12-percent increase in investment over that of 1968 was the eighth annual advance in a row, marking the longest sustained increase since before World War I. However, businessmen spent less than they had anticipated in the February 1969 Commerce-SEC annual survey of investment plans.

The rise in investment during 1969 was an extension of a recovery that started haltingly in late 1967 and early 1968 but gathered momentum from the upsurge in sales and profits in the first half of 1968. The surtax on corporations resulting from the passage of the tax increase in mid-1968 did not seem to have much impact on the developing investment expansion, perhaps in part because the tax rise was small and was expected to be temporary. During the second half of 1968, the financing of these programs was facilitated when the monetary authorities shifted to an easier policy and the Federal deficit declined sharply, making additional funds available for the private sector. At the end of 1968 businessmen projected for the first half of 1969 one of the largest half-year increases ever recorded in the Commerce-SEC survey.

Several influences that should have inhibited business investment emerged in 1969, although at best they served only to slow down the increase in the second half. They included the shift to monetary restraint and the rapid rise in interest costs; the tapering in the expansion of demand and output, and the emergence of excess plant capacity in a number of industries; the decline in book profits after the second quarter; and the proposed repeal of the investment tax credit announced on April 21, 1969, although this move could not have greatly affected spending until late in the year because of the sizable backlog of equipment orders that existed in mid-April. In any event, speculation that the termination of the investment tax credit might be in the Administration's proposals led to an upsurge in order placements immediately prior to April 21, as businessmen acted to take advantage of the credit while it was still allowed.

Although their spending fell somewhat short of expectations in the first half of the year, businessmen forged ahead with their investment programs as 1969 progressed. New appropriations by manufacturers and new projects started by manufacturers and public utilities rose through the third quarter. And at the end of 1969, businessmen reporting in the Commerce-SEC survey were once again projecting a substantial increase in expenditures in the coming year.

The industrial composition of investment provides a clue to the strength of business investment. Over the past few years the demand for capital goods by electric and gas utilities and telephone companies has been exceptionally strong. In contrast to other groups, investment in these industries has increased steadily and substantially each year. Several successive years of sharply rising demand have strained facilities, and the service failures that have appeared in particular areas have accentuated the need for additional capacity. High interest rates have not seriously deterred these industries from investment because they must meet demands for service and because the regulatory authorities permit such cost increases to be reflected in higher rates. Actual spending by these firms rose sharply in 1969, and their planned spending is a major source of strength in the near-term investment outlook.

Housing

Housing in 1969 showed the effects of disrupted capital markets and high interest rates. Private nonfarm housing starts, at about 1.45 million units for the year as a whole, were unchanged from 1968, but they declined irregularly from an early 1969 peak. Expenditures for the full year were 6½ percent greater than in 1968, but the increase was due almost entirely to higher prices. During the year, private housing outlays declined 6.7 percent (annual rate) from the first to the fourth quarter, and this decline was a major reason for the dampening in the rise of aggregate demand.

Homebuilding never did recover fully from the effects of the credit stringency of 1966. The housing upturn in 1967 came to a temporary halt in the first half of 1968 because of rising interest rates. Since housing starts from 1966 to 1968 fell considerably below the number needed to satisfy the requirements created by new households and the replacement of obsolete units, a substantial backlog in demand built up. Vacancy rates continued to be low, prices for new and existing homes recorded sharp increases, and rents rose at an accelerated rate.

In the second half of 1968, the somewhat easier credit market conditions that followed enactment of the surtax led to a pronounced pickup in private nonfarm starts. From a seasonally adjusted annual rate of 1.4 million units in the second quarter of 1968 they rose to 1.7 million in the first quarter of 1969. However, this upsurge in starts was also short lived. The slower monetary growth near the beginning of 1969 was followed by a further rise in what were already high interest rates. Some lending institutions shifted from mortgages to more lucrative investments, and most experienced much less favorable savings flows. The further sharp tightening by the monetary authorities after mid-1969 hampered housing. As was indicated earlier, the thrift institutions, which are important in mortgage financing, were handicapped in their attempt to compete for savings. These institutions experienced large outflows of savings because depositors sought the higher yields available on market securities. After starts had fallen to a 1.5 million unit rate in the second quarter, they declined to 1.4 million units in the third and 1.3 million in the fourth.

Partly in an effort to support homebuilding, the Administration took several steps to alter supply and demand conditions in ways that would curb inflationary trends in construction (including the homebuilding industry). Early in the year, lumber and plywood prices rose sharply as a result of tight supply conditions and the expectation of further tightness. The Government curtailed its own purchases and initiated measures to increase the supply of timber from the national forests. These actions played a part in the sharp retreat of lumber and plywood prices from their speculative peaks.

Increases in construction wage rates were very pronounced in 1969, with collective bargaining agreements commonly calling for rises in excess of 12 percent per year for 2 or 3 years. These increases and the consequent advances in costs made it even more difficult to sustain an already weak residential construction industry. Moreover, building such large wage increases into costs for future years raised the danger that the entire construction industry would be left stranded by excessive costs when inflation abated. There was also concern that the exceptional wage increases in this industry would set an example that might be followed in other industries.

On September 4, the President announced a program to attack the inflationary aspects of construction wage settlements.

1. The Federal Government would cut new contracts for direct Federal construction by 75 percent, with the cut to continue until conditions eased

in the economy or in the construction industry. If that limitation were to remain in effect through fiscal 1970, it would reduce contract awards by $1.8 billion.

2. State and local governments were requested to cut their new construction contracts voluntarily. If not enough voluntary restraint was forthcoming, the Administration would consider a reduction in Federal grants for construction.

3. Private business was requested to cooperate in restricting nonresidential construction.

4. The Departments of Labor and of Health, Education, and Welfare were directed to apply more of their manpower training programs to increasing the number of skilled construction workers.

5. A Cabinet Committee on Construction, headed by the Chairman of the Council of Economic Advisers, was established to develop long- and short-range programs for analyzing problems in the construction industry.

On September 22, the President established a tripartite Construction Industry Collective Bargaining Commission to consider solutions to a number of labor-management and manpower problems in the industry, including productivity, seasonality, settlement of disputes, and the training of labor.

Consumer Income and Spending

Personal income rose $59 billion, or 8.6 percent, from 1968 to 1969 (Table 5). There were large increases in payrolls and incomes from property, and still larger percentage rises in transfer payments (such as payments for Social Security, Medicare, and veterans benefits).

Personal taxes rose last year by $20 billion, or 20 percent, an even greater increase than from 1967 to 1968, when the surtax went into effect. Last year

TABLE 5.—*Changes in personal income, taxes, and saving, 1967–69*

Period	Change from preceding period (billions of dollars)					Saving rate for period (percent)
	Personal income	Personal tax and nontax payments	Disposable personal income	Personal consumption expenditures	Personal saving [1]	
1967	42.2	7.5	34.6	26.0	7.9	7.4
1968	58.5	15.0	43.5	44.3	−2.0	6.5
1969 [2]	59.2	19.6	39.6	39.4	−.8	6.0
	Seasonally adjusted annual rates					
1967: Second half	21.5	4.4	17.0	13.8	3.1	7.5
1968: First half	32.0	5.9	26.2	26.2	−.8	7.1
Second half	31.4	13.8	17.6	22.4	−5.5	5.9
1969: First half	28.8	11.6	17.3	19.6	−2.7	5.3
Second half [2]	29.3	2.2	26.9	17.1	9.5	6.6

[1] Disposable personal income less personal outlays (personal consumption expenditures, interest paid by consumers, and personal transfer payments to foreigners).
[2] Preliminary.

Note.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

was the first full year of the surtax; for this reason surtax liabilites were higher, rising from 7½ to 10 percent. In addition, 1969 tax payments were unusually high because of the underwithholding of taxes in 1968. Because of the substantial increase in taxes, personal disposable (after-tax) income rose only 6.7 percent, the smallest percentage advance in 6 years.

Consumer spending rose more rapidly than disposable income from 1968 to 1969. The pattern of consumer expenditures within the year was particularly interesting for the light it threw on the impact of the surtax. When the surtax was imposed in mid-1968, it was recognized that some of its effects might be offset if consumers decided to reduce their rate of saving. For reasons that are still not entirely clear, the rate of saving had been rather high for almost 2 years before the tax increase was enacted. Furthermore, there was always the possibility that consumers might be slow in adjusting their expenditures to an anticipated change in disposable income, especially if they regarded the surtax as temporary. As it turned out, consumers did reduce their rate of saving—but to an extent that was much greater than anticipated.

The imposition of the tax had little immediate impact on consumer spending. In the third quarter of 1968, spending rose sharply, and the saving rate fell; not until the fourth quarter did spending show signs of slowing down. At the start of 1969, many analysts counted on the slowdown in consumer spending that had finally emerged in the fourth quarter of 1968 to continue in the first half of 1969, particularly since consumers had heavy tax payments to make on their 1968 liabilities and since Social Security taxes were increased at the start of the year. In fact, however, consumer spending rose sharply in both the first and second quarters, despite the slow expansion in disposable income. The personal saving rate fell to exceptionally low levels. Helping to explain the high rate of spending relative to disposable income in 1968 and 1969 was the rapid monetary expansion and the substantial accumulation of liquid assets that preceded these 2 years. The liquidity of households increased at very rapid rates throughout 1967 and 1968. The process of attempting to adjust these liquid asset holdings to normal levels may have contributed to the heavy consumer spending in 1968 and the first half of 1969, as it did in the case of business investment.

During the second half of 1969, increasing concern over the economic outlook, which showed up in a number of surveys of consumer sentiment, was reflected in a more subdued pace of consumer spending and a rise in the saving rate. Spending for durable goods edged down, bringing to a halt a rise that had started in the summer of 1967. Auto purchases showed considerable weakness late in the year, as a result of which auto producers made substantial cuts in production.

State and Local Purchases

State and local government purchases, with a 12-percent increase, showed the largest percentage advance of any of the major demand components in

1969. The somewhat slower rise as compared with the increases from 1966 to 1968 was the result of credit tightness. Several State and local jurisdictions either found it impossible to sell securities because of statutory ceilings on interest rates or decided to postpone new bond issues because of high rates. Hardest hit was construction, which accounts for about one-fourth of State and local government purchases, and which rose very little after annual increases of about 10 percent in the 3 preceding years. The Administration's request to State and local governments in September to curb construction came too late in the year to influence 1969 outlays significantly.

Inventory Investment

Investment in business inventories totaled $8 billion last year—about as much as the year before. Businessmen tended to be cautious in their inventory policies, possibly because of the high cost of borrowed money and uncertainties over the sales outlook. Accumulation was moderate in the first half, but during the third quarter there was some evidence that unwanted stocks were piling up. However, the actual rate of accumulation apparently fell in the final quarter as steps were taken to adjust production. A good part of the swing in inventory accumulation centered in the automobile industry.

SHARES IN THE NATIONAL INCOME

The value of the Nation's production can also be measured by the national income, which is obtained by adding up all of the incomes earned in current production—wages and salaries, corporate profits, proprietors' incomes, net interest, and rental incomes of persons. Since incomes are the factor costs of production, an analysis of them is particularly instructive in a time of inflation. It provides a useful backdrop for the discussion of the labor market, profits, and prices that follows.

The 1969 rise in employee compensation, approximately 10 percent, matched the large increase from 1967 to 1968. The combination of higher employment and substantial increases in rates of pay resulted in the largest percentage increase in private payrolls since 1951. Government payrolls grew less rapidly than in the preceding year, mainly because the growth in employment slowed. The slowdown in military payrolls was especially pronounced because for the first time since 1965 the size of the Armed Forces showed no increase. The rise in Federal civilian employment was deliberately held down as a measure of restraint. Growth in State and local government employment remained substantial, but its rate of increase fell for the third year in a row.

In 1969, the national income accounts measure of corporate profits (that is, adjusted to exclude inventory profits) was slightly above the 1968 total. However, according to preliminary data, profits declined in each quarter of 1969, continuing a movement that started in late 1968. Book profits (including inventory profits) made a better showing in 1969 than the national

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income version; the rise from 1968 came to $3 billion, bringing the total to more than $94 billion. After-tax profits rose $1 billion to a new peak, the repeal of the investment tax credit adding $½ billion to 1969 tax liabilities. Corporations increased dividends more than after-tax profits rose so that undistributed profits edged down.

Both farm and nonfarm proprietors experienced increased incomes in 1969. Large increases in farm prices helped raise the total net income of farm proprietors by $1.5 billion. Last year's income of about $16 billion was the same as the 1966 total, which in turn was the highest since 1948. Cash receipts from marketings of livestock and livestock products were bolstered by a 12-percent price rise that reflected a continued increase in consumer demand for meat coupled with only moderate increases in market supplies and in imports, which are limited by voluntary restraints. In the case of crops, however, another record harvest, combined with big carryovers of grains and soybeans, resulted in a 3-percent decline in prices. Direct Government payments totaled about $3¾ billion last year, up $⅓ billion from 1968. They accounted, as in 1968, for 6 percent of the cash receipts from farm marketings.

Inflation had an important effect on farm expenses as well as on receipts last year. Prices were higher for all major inputs except fertilizers. Sharp increases were recorded for farm wage rates, which were up 10 percent from 1968. Because the number of hired farmworkers dropped, however, total cash wages showed an increase of 6 percent over the 1968 figure.

THE LABOR MARKET

The pressures of excess demand that the economy has experienced most of the time since 1966 have been nowhere more evident than in the labor market. The tight market that prevailed during most of 1969 showed up in many different ways. For the year as a whole, the unemployment rate was the lowest since 1953. In response to the heavy demand for workers, there was an abnormally large increase in the civilian labor force; the number of persons employed rose by 2 million to a record 77.9 million. The workweek remained long. Wage rates continued their rapid advance, and the rise in productivity came to a halt. Within the year, labor demand was less intense in the second half than in the first.

Employment

The increase of 2 million persons in the civilian labor force was not only some 600,000 greater than the average rise of the 5 preceding years, but it was the largest since 1946–47, after the demobilization of the Armed Forces. With their unemployment rates extremely low and labor force participation rates already high, adult men accounted for a significantly smaller proportion of the increase in total employment than in the 2 preceding years. Adult women and teenagers, apparently attracted by the ease of finding jobs, accounted for about three-fourths of the employment rise, a much larger proportion than in 1967 and 1968, when employment increases were not so great (Table 6). A large proportion of the jobs that women and young persons found last year were part-time jobs, which have been growing in importance over the past several years.

TABLE 6.—*Changes in civilian employment and distribution of change, 1965–69*

Year	Change from preceding year			
	Total employment	Both sexes 16–19 years	Females 20 years and over	Males 20 years and over
	Thousands of persons			
1965	1,783	520	727	536
1966	1,807	685	877	245
1967	1,477	−39	890	626
1968	1,548	98	884	566
1969	1,982	337	1,116	529
	Percentage distribution of change			
1965	100.0	29.2	40.8	30.1
1966	100.0	37.9	48.5	13.6
1967	100.0	−2.6	60.3	42.4
1968	100.0	6.3	57.1	36.6
1969	100.0	17.0	56.3	26.7

Note.—Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

The long-term downward trend in agricultural employment, which had slowed markedly in 1967 and 1968, accelerated in 1969. All of the major industry divisions in the nonagricultural sector recorded employment increases, but most of the gains were outside manufacturing, increases in construction and retail trade being especially noteworthy. The rise in manufacturing employment was moderate, far below the advances in 1965 and 1966 when the buildup for the Vietnam War was underway.

Unemployment

The average number of persons out of work in 1969 was almost the same as in 1968, and the unemployment rate edged down from 3.6 percent to 3.5 percent of the labor force. Most groups experienced decreased rates. The shortage of adult male workers, who account for nearly 60 percent of total employment and constitute the mainstay of the labor force, was especially evident last year. Their unemployment rate fell from 2.2 to 2.1 percent—the lowest for any year in the postwar period. Last year's 12.2 percent rate for teenagers was the lowest since 1957, and the 6.4 percent rate for Negroes and other nonwhite races combined showed a decline. Decreases occurred in the relatively unskilled occupations, but they were also significant among craftsmen and foremen (Table 7).

TABLE 7.—*Selected unemployment rates, 1961 and 1965–69*

[Percent]

Group of workers	1961	1965	1966	1967	1968	1969
All workers	6.7	4.5	3.8	3.8	3.6	3.5
Sex and age:						
Both sexes 16–19 years	16.8	14.8	12.8	12.8	12.7	12.2
Men 20 years and over	5.7	3.2	2.5	2.3	2.2	2.1
Women 20 years and over	6.3	4.5	3.8	4.2	3.8	3.7
Race:						
White	6.0	4.1	3.4	3.4	3.2	3.1
Negro and other races	12.4	8.1	7.3	7.4	6.7	6.4
Selected groups:						
White collar workers	3.3	2.3	2.0	2.2	2.0	2.1
Blue collar workers	9.2	5.3	4.2	4.4	4.1	3.9
Craftsmen and foremen	6.3	3.6	2.8	2.5	2.4	2.2
Operatives	9.6	5.5	4.3	5.0	4.5	4.4
Nonfarm laborers	14.7	8.6	7.4	7.6	7.2	6.7
Private wage and salary workers in nonagricultural industries	7.5	4.6	3.8	3.9	3.6	3.5
Construction	15.7	10.1	8.1	7.4	6.9	6.0
Manufacturing	7.7	4.0	3.2	3.7	3.3	3.3

Source: Department of Labor.

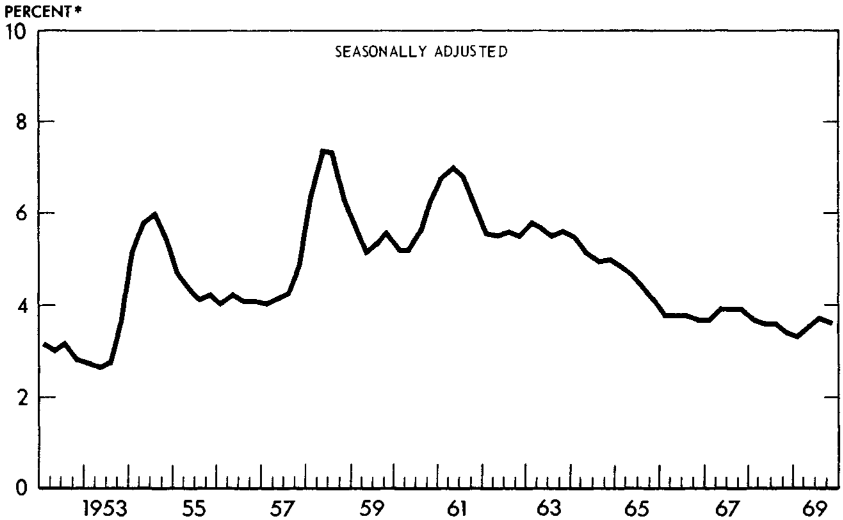
Although the demand for labor was strong through the year, it showed some easing as the year progressed, notably after midyear. In nonfarm establishments, employment increases, which had averaged 700,000 per quarter in the first half, fell to 300,000 per quarter in the second half. The length of the workweek in private nonfarm industries fell noticeably in the final quarter after remaining high and remarkably steady through September. The unemployment rate rose from 3.3 percent in the first quarter to 3.5 percent in the second and edged up further in the second half, showing little change, on average, from the third to the fourth quarter (Chart 5).

Productivity Changes

Output per man-hour for all employees in the private nonfarm sector recorded no change from 1968 to 1969. This was the poorest performance for productivity growth since the mid-1950's. The absence of comprehensive and detailed data makes it difficult to specify the reasons for this poor showing. The explanation probably involves two factors which differed in importance from industry to industry and time to time. One is that the slower rate of increase of demand and output itself limited the gains of productivity. Employers not only retained staff, technical, and other "overhead" workers as they usually do; they also expanded their work forces despite the slower sales rise in order to be prepared for a future higher level of demand. The consequence of combining this with slow growth of current output was a poor performance of output per man-hour. The other explanation is that productivity was limited by the shortage of labor, as evidenced by the low unemployment rates, especially for experienced workers. Employers were forced to turn to marginal workers such as teenagers and housewives, most of whom have relatively little work experience and a lower

Chart 5

Unemployment Rate



*UNEMPLOYMENT AS PERCENT OF CIVILIAN LABOR FORCE.
SOURCE: DEPARTMENT OF LABOR.

than average rate of productivity. Probably also as a result of labor shortage, absenteeism and turnover were both unusually high, which depressed productivity. Finally, under the conditions that prevailed in 1969, delays in the delivery of materials and equipment were common, especially in the capital goods sector, and production schedules were hard to maintain, at least through the summer.

Wage Changes

Since the demand for labor in recent years has been strong in relation to supply at existing wage rates, labor has been in a position to win large gains in hourly compensation. During this period, the rapid rise in living costs and expectations of further increases in the cost of living have added to labor's wage demands. Employers have bid up wages because of their own expectations that higher costs could readily be passed on in the form of higher prices.

Increases in average hourly earnings, excluding fringe benefits, were again very large in 1969 (Table 8). In construction and mining, where the demand for labor was extremely strong, hourly earnings showed their sharpest gains since 1951. In manufacturing, where the increase in labor demand was more moderate, the rise in earnings fell a little short of the increases in 1968.

TABLE 8.—*Increases in average gross hourly earnings of private nonagricultural production or nonsupervisory workers since 1960*

Industry	Percentage change per year					
	1960 to 1964	1964 to 1965	1965 to 1966	1966 to 1967	1967 to 1968	1968 to 1969 [1]
Total private [2]	3.1	3.8	4.5	4.7	6.3	6.7
Mining	1.9	3.9	4.5	4.6	5.0	7.2
Contract construction	3.6	4.2	5.1	5.7	7.1	8.4
Manufacturing	2.9	3.2	4.2	4.0	6.4	6.0
Durable goods	2.8	3.0	3.9	3.4	6.3	6.0
Nondurable goods	2.8	3.1	3.8	4.9	6.6	6.2
Wholesale and retail trade	3.5	3.6	4.9	5.2	7.1	6.7
Wholesale trade	3.0	3.6	4.6	5.5	5.9	5.9
Retail trade	3.6	4.0	4.9	5.2	7.5	6.5
Finance, insurance, and real estate	3.3	3.9	3.3	4.5	6.6	6.2

[1] Preliminary.
[2] Includes transportation and public utilities and services, not shown separately in this table.

Note.—Data relate to production workers in mining and manufacturing, to construction workers in contract construction, and, generally, to nonsupervisory workers in all other industries.

Source: Department of Labor.

TABLE 9.—*Wage and benefit decisions, 1965–69*

Measure	Median annual rate of increase in decisions reached in—				
	1965	1966	1967	1968	1969 [1]
Major collective bargaining situations: [2]					
Wage and benefit changes (packages):					
Equal timing [3]	3.3	4.0	5.2	6.0	7.4
Time weighted (actual timing) [4]	([5])	4.7	5.5	6.6	8.2
Negotiated wage-rate increases averaged over life of contract:					
All industries	[6] 3.3	3.9	5.0	5.2	7.1
Manufacturing	([5])	3.8	5.1	4.9	5.9
Nonmanufacturing	([5])	3.9	5.0	5.9	8.8
Negotiated first-year wage-rate increases:					
All industries	3.9	4.8	5.7	7.2	8.3
Manufacturing	4.1	4.2	6.4	6.9	7.1
Nonmanufacturing	3.7	5.0	5.0	7.5	10.5
Wage increases in manufacturing:					
All establishments	3.7	4.2	5.3	6.0	[7] 6.2
Union establishments	3.6	4.1	5.5	6.5	[7] 6.9
Nonunion establishments	4.0	4.4	5.0	5.0	[7] 5.8

[1] Preliminary.
[2] Except for packages, data are for contracts affecting 1,000 workers or more. Package cost estimates are limited to settlements affecting 5,000 workers or more (10,000 in 1965). The package cost of a few settlements affecting relatively few workers has not been determined.
[3] Based on estimated increases in hourly costs at end of contract period and assumes equal spacing of wage and benefit changes over life of contract.
[4] Takes account of actual effective dates of wage and benefit changes.
[5] Not available.
[6] Based on settlements affecting 10,000 workers or more.
[7] Data not available for year 1969; data apply to first 9 months of 1969.

Note.—Possible increases in wages resulting from cost-of-living escalator adjustments (except those guaranteed in the contracts) were omitted.

Source: Department of Labor.

Although 1969 was not a year of collective bargaining agreements on an extensive or major scale, the increase in wage rates and benefits won by unions was considerably above their gains in 1968. Pay raises were not only much larger in nonmanufacturing industries than in manufacturing—as was true in 1968—but the acceleration in comparison with that in the preceding year was also much greater in nonmanufacturing (Table 9). As in earlier years, "front-end loading" was common last year. This is the practice of concentrating a pay raise in the first year of a contract covering more than 1 year. It reflects attempts by unions to make up quickly for the erosion of prior wage gains because of rising living costs.

The combination of higher hourly compensation and no rise in productivity resulted in a 7-percent rise in labor costs per unit of output—the sharpest annual advance for employees in the private nonfarm sector since 1951. It was far above the preceding year's rise of 4 percent because of the pronounced difference in productivity performance (Chart 6). The rise in unit labor costs continued throughout the year.

PRICE MOVEMENTS

As a result of last year's pressures in the economy, all major price indicators—the comprehensive GNP price deflator, the consumer price index (CPI) and the wholesale price index (WPI)—rose more rapidly than in any year since 1951. Changes in GNP deflators by sector are shown in Table 10 while changes in the CPI and WPI are shown in Table 12.

The rise in the GNP deflator was intensified by the sharp advance in farm prices and by continued large increases in pay scales for Government workers and members of the Armed Forces. Although the price rise for the private nonfarm business sector (which produces about five-sixths of the GNP) was smaller than for the GNP as a whole, it represented a significant stepup over the preceding year's change.

TABLE 10.—*Changes in implicit price deflators for GNP, by sector, 1965–69*

Producing sector	Percentage change			
	1965 to 1966	1966 to 1967	1967 to 1968	1968 to 1969[1]
Gross national product	2.7	3.2	4.0	4.7
Private	2.6	2.9	3.6	4.5
Business	2.4	2.8	3.5	4.5
Nonfarm	2.0	3.2	3.5	4.3
Farm	11.5	−7.5	3.8	7.4
Households and institutions	4.9	6.6	7.7	4.2
General government	5.1	5.6	7.6	7.0

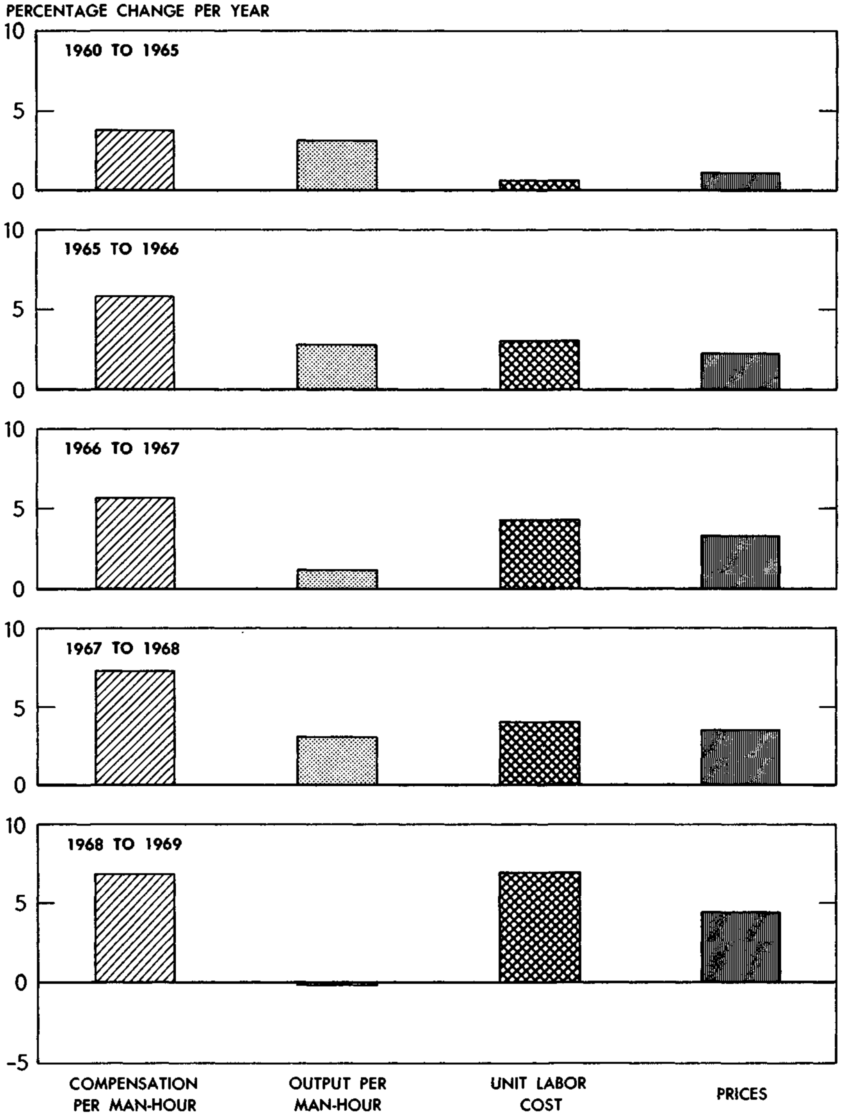
[1] Preliminary.

Source: Department of Commerce.

Chart 6

Changes in Compensation, Productivity, Labor Costs, and Prices

Private Nonfarm Sector



NOTE.–DATA RELATE TO ALL EMPLOYEES.

SOURCES: DEPARTMENT OF LABOR AND DEPARTMENT OF COMMERCE.

Some insight into price movements in the nonfarm business sector is provided by Table 11, which shows for nonfinancial corporations the composition of price change in terms of changes in its components—costs and profits per unit of output. These data link the various income flows such as wages and profits with real output. Costs and profits per unit of output are derived by dividing each cost aggregate and aggregate profits measured in current dollars by real output measured in 1958 prices throughout the period. The sum of the costs and profits per unit equals price per unit, which is the deflator for nonfinancial corporations. (As indicated in the table, for example, the price of a unit of output thus measured rose 4.1 cents from 1968 to 1969.)

Labor cost is the single most important component of price; in the period from 1965 through 1969, its relative importance varied from 62½ to 65 percent of price. All other costs combined—depreciation, indirect business taxes, and net interest—accounted for about 20 to 21 percent of price while profits (including the inventory valuation adjustment) accounted for the remainder.

Last year, as in 1966 and 1967, increased labor costs per unit of output were almost equal to the rise in prices. Depreciation, indirect business taxes, and net interest also added small amounts to the price rise. However, businessmen were only partly successful in translating unit cost increases into higher prices, and consequently profits per unit of output edged lower. This differed from the experience from 1967 to 1968, a period of very rapid increase in demand, when the price advance was accompanied by larger unit profit margins.

TABLE 11.—*Changes in current dollar costs and profits per unit of real output of nonfinancial corporations since 1960*

[Dollars per unit of real output]

Item	1960–65 average	1965 to 1966	1966 to 1967	1967 to 1968	1968 to 1969 [1]
Total price	.007	.018	.030	.030	.041
Labor costs	−.002	.018	.028	.017	.038
Other costs [2]	.003	−.001	.014	.007	.011
Profits [3]	.006	.001	−.013	.007	−.008

[1] Preliminary.
[2] Capital consumption allowances, indirect business taxes plus transfer payments less subsidies, and net interest.
[3] Before tax and including inventory valuation adjustment.

Note.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

Although the price rise was substantial throughout 1969, the character of the rise appeared to be undergoing a transition some time late in the year. Unit costs continued to increase rapidly. With real output growing more slowly, aggregate overhead costs became increasingly burdensome. But demand pressures, which had been the dominant element in the price rise earlier in the year, diminished, making it more difficult for business fully to recoup cost increases through higher prices. However, the further narrowing of unit profit margins did not prevent prices from rising sharply at the end of the year.

Wholesale and Retail Prices

Large increases in wholesale prices of farm products and foods and widespread advances in industrial prices brought about a 4.0-percent rise in wholesale prices from 1968 to 1969, considerably more than the 2.5-percent rise from 1967 to 1968 (Chart 7). All of the main parts of the industrial component increased, and for most the rises were greater than they had been from 1967 to 1968. Increases were considerably above average for metals and metal products, amounting to almost 6 percent, as a result of large increases in steel and nonferrous metals prices. Prices of lumber and wood products recorded a rise of 11 percent from 1968 to 1969 after a 13-percent advance from 1967 to 1968.

TABLE 12.—*Changes in wholesale and consumer prices, 1966–69*

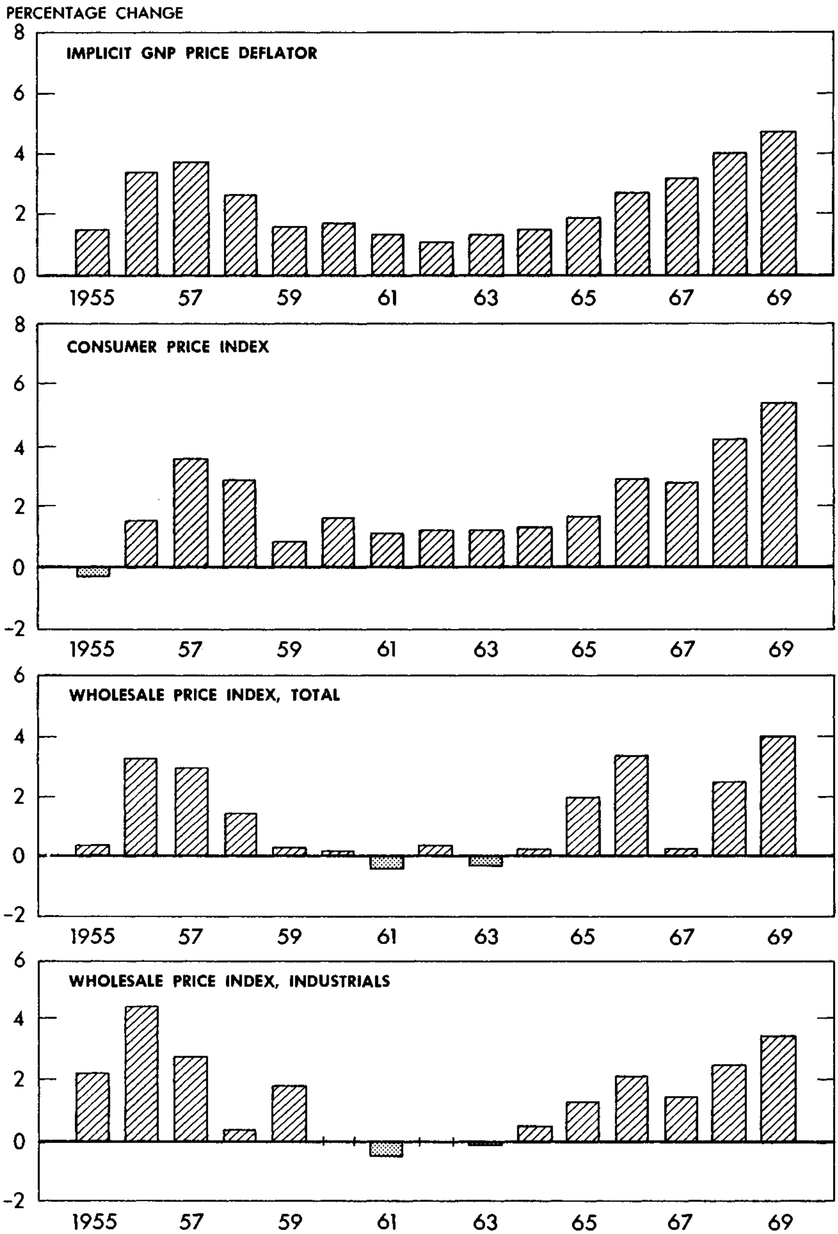
Commodity or item group	Percentage change (annual rate) over preceding period							
	1966	1967	1968	1969	1969			
					I	II	III	IV
					Unadjusted			
Wholesale prices: All commodities	3.3	0.2	2.5	4.0	6.4	5.1	2.9	4.3
Farm products	7.3	−5.6	2.5	6.2	12.2	14.4	.7	3.3
Processed foods and feeds	5.9	−1.2	2.1	5.0	5.7	11.5	7.6	1.3
Industrial commodities	2.1	1.5	2.5	3.4	5.6	2.9	2.2	5.1
Consumer prices: All items	2.9	2.8	4.2	5.4	5.0	6.9	5.8	5.7
Food	5.0	.9	3.6	5.2	4.0	6.7	10.4	3.8
Nonfood commodities	1.3	2.5	3.7	4.2	2.5	6.4	2.4	6.2
Services	3.8	4.4	5.2	7.0	7.5	8.2	6.6	6.5
					Seasonally adjusted			
Consumer prices: All items					5.3	6.9	5.5	5.7
Food					4.0	7.0	6.6	7.5
Nonfood commodities					4.6	5.6	3.1	4.1
Services					7.5	8.3	6.6	6.8

Source: Department of Labor.

Industrial prices rose at a very rapid rate early in the year, showed a declining rate of increase in the second and third quarters, and then accelerated again in the final quarter, when prices advanced at an annual rate of 5.1 percent. This movement through the year was distorted to some extent by the behavior of lumber and wood products prices, which rose very rapidly through March and thereafter declined 18 percent, falling back almost to the level of the preceding year. That decline followed from a weakening in demand as a result of the downturn in housing starts and from special efforts undertaken by the Administration to improve supplies. The exclusion of the lumber and wood products component from the industrial average would reduce the first quarter increase and raise the second and third. On this basis, the increases in the first three quarters would be about the same while the fourth quarter would represent a peak for the year.

Chart 7

Price Changes



SOURCES: DEPARTMENT OF COMMERCE AND DEPARTMENT OF LABOR.

The consumer price index rose 5.4 percent in 1969 following a 1968 advance of 4.2 percent and increases of just under 3 percent in 1966 and 1967. All of the broad components registered sizable advances, the largest—7 percent—being in services. However, the acceleration in relation to the 1968 record was attributable almost wholly to food (5.2 percent in 1969 as compared with 3.6 percent in 1968) and housing (6.4 percent in 1969 as compared with 4.2 percent in 1968).

Consumer prices rose rapidly throughout the year. The increase was largest from the first to the second quarter, when it came to an annual rate of almost 7 percent. However, the rise subsided a little in the third and fourth quarters.

* * *

By the end of 1969, the first signs that the inflationary tide was no longer rising had begun to appear. They had been slow in coming. Strong expectations of inflation, an abundant supply of liquidity when the year opened, and poor productivity performance all contributed to the delay in the response to anti-inflationary policy. But there was enough response to indicate that if the policy was continued the desired results would be achieved. The steadfastness of policy would be tested in 1970.

CHAPTER 2

Stabilization Policy for 1970 and Beyond

POLICY AND OUTLOOK FOR 1970

THE YEAR 1970 OPENS with total demand slowed down substantially and real output approximately stable, but with prices still rising rapidly. The objectives of policy for 1970 are to reduce the rise of prices and to revive the growth of output. These objectives are difficult to reconcile. Measures that would most quickly revive the growth of real output would almost certainly accelerate the rise of prices. Measures that would assure the most rapid stabilization of the price level would almost certainly force a sharp contraction of production and employment. But there is a path of moderate expansion of demand which will yield both a decline of the rate of inflation and a resumption of growth of output. The task of economic policy in 1970 is to achieve that path.

The path of the economy in the early part of 1970 is already largely determined. Policy actions taken in the first few months of the year will probably not have much immediate effect. However, the course of the economy later in the year will depend heavily on policy actions still to be taken. The policy problem for 1970 is to take actions in the first half of the year which will place the economy on the sustainable path of moderately rising output and significantly declining inflation in the second half. This desirable path will also be the probable path if the policy needed is correctly identified and carried through.

THE POLICY OBJECTIVES FOR 1970

Although the course of the economy in the early part of 1970 is already largely determined, this is not to say that it is already known. In fact, even for the next few months there are considerable uncertainties. A continued slow rise of money gross national product (GNP) at about the annual rate of the fourth quarter of 1969 seems likely. The very small monetary expansion of the second half of 1969 may portend an even slower rise of GNP. If this were about to occur in the months immediately ahead, however, clearer evidence might already have been expected in developments such as new orders for durable goods, which reflect the intermediate processes between changes in the money supply and changes in GNP.

With continued slow increase of GNP in the early months of 1970 the growth of real output would remain close to zero, and there should be some decline in the rate of inflation. The sharp rise of wholesale prices at the end of 1969, however, holds out the possibility that the rise of over-all prices (as measured by the GNP deflator) in early 1970 may differ little from that in late 1969. However, if the slowing of final demand leads to an increased rate of inventory accumulation early in the year, subsequent reductions in production schedules might mean losses in output and some softening of prices as inventories were being worked back down.

Despite these uncertainties of degree, it does seem likely that by mid-1970 the economy, after three quarters of very little increase of real output, would be producing significantly below its potential. Such a GNP gap places a downward pressure on the rate of inflation. Businesses find themselves selling in markets less receptive to price increases. This forces greater resistance to cost increases, including wage increases. These pressures against inflation will continue if demand remains below potential output, even though demand begins to rise more rapidly.

Thus, in the second half of 1970 a moderately more rapid rise of money demand, bringing about an increase of real output, would be consistent with a further reduction of the rate of inflation. The demand for output would be short of the potential so that a moderately larger increase in demand would call forth mainly an increase in real output, not in the price level.

On the other hand, if demand continues to rise so slowly that real output does not rise, this could be expected to result in rising unemployment. It is well to remember, however, that the unemployment rate does not move in any fixed, precise relationship to other measures of business activity. We were reminded of that again in 1969. There was a considerable slowdown of real output gains, and in the fourth quarter a cessation, but this did not cause a significant rise in the unemployment rate. Still, this slippage between real output and employment cannot be expected to go on indefinitely. The prospect of a rise in unemployment increases the importance of bringing about a rise in real output when that is consistent with continued progress in reducing inflation.

The exact timing and degree of expansion that would be consistent with a significant reduction in inflation in 1970 are uncertain. However, it seems a reasonable estimate that the slow increases of GNP foreseeable in the first half plus the moderately larger but still noninflationary increases desirable in the second half would add up to a GNP for the year between $980 and $990 billion—a range which for convenience may be described by the figure of $985 billion. This would be an increase of about 5½ percent over 1969, as compared with the increase of 7.7 percent from 1968 to 1969. Part of this smaller GNP rise would be reflected in a smaller increase of real output. Part of it would be reflected in less inflation. Whereas the GNP price deflator went up 5.1 percent from the fourth quarter of 1968 to the fourth quarter of 1969, and was still rising at a 4.7-percent annual rate at the end of 1969, it is reasonable to expect these figures to be substantially lower in 1970.

It is not necessary at this point in history to emphasize the fallibility of such estimates of a desirable pattern of the GNP and of the consequences of that pattern for the behavior of prices. However, precision in such estimates is not required for the success of policy. The estimates indicate the desirable general direction of policy. The basic point is that if the rate of growth of GNP is slowed, the rate of inflation will in time also decline, although the timing and magnitude of the effect is inevitably somewhat uncertain. The growth of GNP has already been slowed to a rate which although temporarily necessary is lower than needs to be sustained for long in order to achieve significant disinflation. Therefore we can tolerate a moderate rise in the rates of increase of GNP and of real output without reviving inflation and should have such a rise in order to avoid mounting unemployment.

POLICY FOR 1970

There is substantial room for judgment about the combination of policies that would get the economy on the desired path. There are two dangers to be avoided. One is that after the slowdown of activity which is now in progress total demand will rise too soon and too sharply, touching off another round of inflation, as in 1967. Some have expressed concern about the expansiveness of fiscal policy—with the two-step elimination of the income tax surcharge, the institution of the low-income allowance and the increase of the personal exemption in the income tax, and the large rise in Social Security benefits. This, some fear, could add up to excessive stimulus; the tight expenditure control recommended in the budget for fiscal year 1971 submitted by the Administration is intended to prevent that.

Others are concerned that the highly restrictive stance of monetary policy after mid-1969 and the slow growth of real output experienced in late 1969 and expected to continue into early 1970 will make the slowdown too severe. The combination of tight credit conditions, slow sales growth, and declining profits could bring unexpected weakness in business investment (including inventories) at the same time that Federal purchases are falling and credit tightness is restraining construction and purchases by State and local governments.

It would not be prudent to count on these two possibilities—an expansive swing in the budget position and cumulating severity of monetary restraint—to offset each other, although it is possible that they might. Not enough is known about the relative influences of the fiscal and monetary factors to preclude the possibility that one or the other might be heavily dominant, resulting in either excessive expansion or excessive contraction. The safer course would be a more moderate posture for both fiscal and monetary policies.

There are other important reasons for not relying on a combination of an expansive fiscal policy, with a budget deficit, and an extremely restrictive monetary policy. Even if this combination should result in the desired moderate disinflation, it would do so only with high interest rates and scarcity of funds that would limit the rate of residential construction to a level inadequate for the needs of the growing population. Moreover, excessive pressures in U.S. money and capital markets are reflected in international financial markets, tending to lead toward a disturbing escalation of interest rates in those markets.

Fiscal policy in 1970 should therefore aim at continuing a modest surplus in the unified budget. Combined with moderate monetary restraint this might be expected to yield the GNP path indicated above as desirable without overly severe pressures in credit markets. This does not mean a return to the rates of monetary expansion of 1967 and 1968. The appropriate rate of expansion is between that of 1967–68 and the severe restraint of the latter part of 1969. But just what this rate should be is particularly difficult to tell, because of uncertainty about the adjustment of the economy to the lower demand for money resulting from high interest rates, inflationary expectations, and the development of new money substitutes. In these circumstances policy must be cautious and tentative and feel its way along.

OUTLOOK FOR GNP AND ITS COMPONENTS

The fiscal and monetary policy described is intended to bring a moderate revival along a sustainable path, after slow expansion of the GNP in the first half of the year. This target has been indicated above by a path which would yield a total GNP of about $985 billion for 1970. The behavior of the components of GNP that might be expected to accompany this policy, and realization of the GNP total, is subject to a number of uncertainties, but the following is a reasonable expectation for the major sectors of the economy that is consistent with this picture for the whole.

Business Fixed Investment. Private investment surveys suggest a 7- to 10-percent increase in plant and equipment spending in 1970, and the Commerce Department–SEC survey suggests a 9-percent increase from 1969 to the second quarter of 1970, with a further small increase in the second half of 1970. Since a large fraction of the anticipated increase in plant and equipment spending is in nonmanufacturing industries such as public utilities, which have somewhat independent investment demands, a strong further gain for investment in 1970 seems likely. On the other hand, there are constraints on a further substantial expansion of capital outlays. Credit is expensive and for some firms difficult to obtain. The liquidity of many companies has been reduced sharply. And profits are going to be under adverse pressures. These suggest that investment demand in other sectors might be sluggish. Thus, with the economy slowing, realized investment spending may come in somewhat less than anticipated. On balance, an increase of about 8 percent—on the low side of the anticipations surveys—seems to be a reasonable expectation for 1970.

Inventories. Although auto inventories were a bit high at the end of 1969, inventories in general did not seem out of line with their relationship to sales in recent years. Businesses seem for the most part to be successful in pursuing a cautious inventory policy. Thus only a slight decline in inventory investment is expected in 1970.

Both inventories and business fixed investment present a major uncertainty on the down side of the forecast. A major downturn in sales expectations could bring a large downward revision in both kinds of business investment. But no such swing seems to be in the making now. Such factors as the need to reduce costs with modern equipment, the expectations of the business community concerning the price level, and for many companies the still thin margin of spare capacity, are all acting to keep capital expenditures strong.

Residential Construction. Housebuilding is the sector most exposed to increasing tightness in the capital markets, and it has also been hard hit by distortion in the flow of funds in response to interest rate ceilings. The rate of housing starts (private nonfarm) fell from an average 1.7 million (seasonally adjusted) in the first quarter of 1969 to 1.3 million in the last quarter as credit conditions tightened.

Housing starts are expected to remain low in the first half of 1970. If, as expected, conditions become easier in the money and capital markets, housing starts should respond favorably in the second half of the year. Nevertheless in 1970 housing will be below the longer-run demand indicated by present and prospective rates of new family formation and real income and normal replacement needs.

Despite housing costs rising, residential construction expenditures are expected to fall to about $30 billion in 1970, from $32.2 billion in 1969.

State and Local Government. The strong upward trend of State and local government purchases of goods and services is expected to continue in 1970, rising about $11 to $12 billion over those in 1969. Much depends on credit conditions. The increase is expected to be less in the first half of 1970, reflecting credit conditions in 1969. As capital market conditions gradually ease during the first half of 1970, outlays may accelerate in the second half.

Federal Purchases. The tight expenditure control projected in the budget for fiscal 1971 is reflected in the estimates of Federal purchases of goods and services in 1970. Total Federal purchases, which came to $102.0 billion in 1969, are expected to fall by about $4½ billion in 1970. This declining Federal Government demand for output is a major factor in the projected reduction of the rate in inflation. All of the decrease in Federal purchases is projected to come in the defense area, which is expected to reduce its purchases from $79.3 billion in 1969 to about $74 billion in 1970. Nondefense Federal purchases are expected to remain about at the 1969 level of $22.8 billion.

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Consumption. Consumer spending in 1970 is another major source of uncertainty. Surveys indicate that consumer sentiment has been falling sharply since the first quarter of 1969, and experience suggests that these changes in consumer attitudes are associated with slower buying. Indeed, automobile sales began to show some weakness toward the end of 1969, and into this year. On the other hand, reduction of the income tax surcharge to 5 percent on January 1, and to zero on July 1, in addition to an increase in Social Security benefits of about $4.4 billion (annual rate) in April 1970 with an additional $2.8 billion one-time payment for benefits retroactive to January 1970, should tend to stimulate consumer spending.

On balance, it is expected that consumer expenditures will rise by about $40 billion from 1969 to 1970. With some of the addition to disposable income from the surcharge elimination going into saving, the saving rate is expected to rise from 6 percent in 1969 to about 6½–7 percent in 1970.

Net Exports. Net exports of goods and services are expected to rise from about $2.1 billion in 1969 to about $3 billion in 1970. While the slowdown expected in the growth of U.S. demand should reduce the growth of merchandise imports, the combined effect of less buoyant demand conditions in some markets abroad and the lagged impact of rising prices in the United States on our exports and imports may limit the improvement in 1970.

Summary. The general trends in the composition of the GNP described above are consistent with a GNP for 1970 of about $985 billion or, more realistically, between $980 and $990 billion. While specific figures in billions of dollars have been put down for each major component of GNP, it would, of course, be possible to achieve the total with a different mixture. If this total is achieved, the year should see progress toward establishing the basis for sustained gains against inflation, and for more sustainable rates of expansion. Policy will have to be open for reconsideration if the economy seems to be on a markedly different path or if the path is not leading to the desired results.

UNEMPLOYMENT AND MANPOWER POLICY FOR 1970

With little growth of real output likely in the first half of 1970, and with the restraint that will have to be maintained in the second half, some increase in the rate of unemployment is possible. This depends in large part on the change in output per worker and in the proportion of the population that seeks employment, variables that are particularly difficult to predict. Much of the increase would be the result of a small lengthening in the average interval of unemployment experienced by people between jobs or newly entering the labor force. (For a discussion of the character and significance of unemployment see Appendix A.)

The reduction in Department of Defense procurement, reflected in the budget and in the projections of defense purchases, will directly cause a decline in defense production and employment. This has been taken into account in the earlier discussion of monetary and fiscal policy and of the possibility of changes in overall unemployment. The Federal Government, in action coordinated by the President's office, will assist the workers and communities directly affected to make the smoothest possible transition to other activities. This action will include, in addition to the programs discussed in the next few paragraphs, planning assistance, loans and grants for severely affected communities, and, in some cases, transfer of federally owned facilities to nondefense use.

The risk of a rise in unemployment, even if small and temporary, adds to the urgency of steps to spread its burden more equitably and to minimize its adverse effects on those who become temporarily unemployed. The Administration's programs in manpower training and welfare reform, while primarily aimed at longer-run structural improvement, will also help to cushion the impact of a temporary increase in unemployment.

MANPOWER TRAINING ACT

The Administration has proposed many improvements in manpower training efforts in the Manpower Training Act of 1969, which coordinates separate manpower programs and creates a comprehensive manpower services system. The bill would decentralize the administration of manpower programs to State and local governments because they can more accurately identify specific local problems and priorities. The decentralization would take place in three steps as States and municipalities demonstrate interest and establish administrative capability in the manpower area. The bill would unify the administration of manpower services, providing for the establishment of State and area single prime sponsors who will be responsible for planning and providing services. It would provide flexible funding for manpower programs so that they may be better utilized in the community to meet local needs.

In addition, it would facilitate the use of manpower programs as an economic stabilizer by authorizing a 10-percent increase in the manpower appropriation when the national unemployment rate reaches 4.5 percent (seasonally adjusted) for 3 consecutive months.

EMPLOYMENT SECURITY AMENDMENTS

The Administration has also proposed legislation to strengthen our unemployment insurance system. The legislation would extend unemployment insurance to 5.1 million workers not now covered and automatically extend the duration of benefits in periods of high unemployment. Eligible workers would receive benefits for up to an additional 13 weeks beyond the present limit (usually 26 weeks) if insured unemployment were to go as high as 4.5 percent (seasonally adjusted) for 3 consecutive months. The legislation would also require States to permit workers to continue to receive unemployment insurance benefits while enrolled in job training programs. These changes will make the unemployment insurance system more effective than ever before in maintaining the purchasing power of the unemployed.

FAMILY ASSISTANCE PLAN

The proposed Family Assistance Plan (FAP) ties in closely with the manpower training programs. It greatly reduces the danger that poor people who had not been covered by unemployment compensation would be seriously injured by an increase in unemployment, or that workers with large families would find themselves in difficult straits in periods of temporary unemployment. The Plan would supplement the incomes of the poor whose wages are too low to meet the needs of their families, and of those who have difficulty working, or probably ought not to be working, such as women with low incomes who head families with young children.

The Plan, in conjunction with the Administration's food stamp program, would have its greatest impact on the working poor, while maintaining the incentive to work. A family of four with no income would receive $1,600, plus about $850 in food stamps, for a potential income of $2,450. An incentive is provided for recipients to obtain jobs by permitting a family of four to receive some FAP payment until its income reaches $3,920. Able-bodied men who are not employed, and mothers of families with no such man at home and no children under 6, must register at the State employment office for training or employment as a condition of receiving their benefit (although payments to their dependents are in any event automatic). Day care would be provided for children whose mothers are at work, or in training.

The Family Assistance Plan would eliminate the existing system of welfare-conditioned-on-dependency. By providing aid to families headed by working men, and by providing incentives to work, it would presumably contribute to family stability in low income groups. The FAP payment (with food stamps) at any income level would be well above the present welfare payment at that income level in many States, thereby reducing State-to-State differences in benefit levels. The Federal Government would finance the Plan, relieving the States of some of the burden of high welfare costs. Payments would be made on the basis of declaration of income. There will be a presumptive need test, but it would be simple and straightforward, and the citizen's word would have approximately the same weight as it does in self-reporting for personal income tax deductions. With this method the social worker no longer has to judge eligibility for benefits and supervise the use of the family income.

OTHER MANPOWER PROGRAMS

The Computerized Job Bank is a promising innovation in job placement. It currently is operating in seven U.S. cities, and by next June, the target is to have such facilities established in a total of 56 cities. The Job Bank plan produces a daily, up-to-date computerized list of available jobs to help place the unemployed. In addition, the establishment of a national system of job vacancy statistics, presently under development, will provide current information on the numbers and locations of jobs available in different industries and occupations.

Changes have been made in the Job Corps to improve its operation and to integrate it better with other manpower programs, as well as with local labor markets. Fifty-nine centers were closed and 30 new inner-city and near-city training centers will be established in order to shift the emphasis from conservation work to training and job placement.

The Administration has emphasized well conceived and carefully planned manpower training programs. Pilot projects to test manpower programs are an important means to accomplish this objective. A pilot project presently is being conducted in several States to test various methods of using computers to match specific jobs to the needs, interest, and ability of a particular applicant. All of these programs will help to ease the slowing pains of the disinflationary policy that must be followed in 1970, while improving labor mobility and skills to provide the base for a noninflationary expansion back to full employment beginning in late 1970.

THE TRANSITION TO FULL EMPLOYMENT GROWTH

At the end of 1970 total output should be rising, and the price level should be rising significantly less rapidly than at the beginning of the year. Nevertheless, total output will be below its potential and the rate of inflation, while declining, will probably still be too high. The transition to an economy growing along the path of potential output at full employment with reasonable price stability will not have been completed.

The problem then will be to raise the rate of increase of real output while continuing to reduce the rate of inflation. This will be essentially a continuation of the 1970 problem. There will, however, be two differences.

Whereas in 1970 it is necessary that real output should rise by less than its potential, at some point it will be necessary that output should rise somewhat more rapidly than potential for an interval. This would be the only way for actual output, starting below potential, to regain the potential.

This temporary period of regaining potential output will have to be negotiated cautiously to avoid reviving inflation. The possibility of doing this should be strengthened by another development. As persistence of policy brings the actual inflation rate down, the expected rate of inflation will also fall, and this will influence both buyers and sellers of goods and services (including labor). Workers will accept smaller increases in money wages if expected price increases are smaller. Interest rates will be lower because lenders will no longer want as much compensation for the expected fall in the value of money and borrowers will be less ready to give such compensation. In other words, the inflationary momentum that resisted anti-inflationary policy strongly in its early phases will subside.

With the economy starting from a position below potential, and inflationary expectations reduced, an increase of demand sufficient to restore output to its potential rate need not revive inflation if it does not occur too rapidly. Just how fast it will be safe to proceed can be much better judged after the behavior of the economy in 1970 is tested.

It is impossible to state a target for reduction of unemployment and the rate of inflation in the years just ahead. As both are reduced, the costs and benefits of further reduction must be weighed. It would be foolish to predict now where the margin of improvement in unemployment and inflation lies.

But after 1970 we will have a clear guide for the *direction* of policy: lower inflation, and lower unemployment.

THE STABILIZATION PROBLEM IN THE LONGER RUN

The main lesson of stabilization policy in 1969 was the importance of avoiding in the future the kind of inflationary situation and pervasive inflation-mindedness that had built up by the end of 1968. Starting from that situation a major change in the behavior of the economy and in expectations was required, a change that would run against the current of strong ongoing forces. No one could tell how fast that change could be successfully accomplished or the degree of monetary and fiscal restraint required to accomplish it.

The objective of stabilization policy in 1970 will be to move us toward a position where the main goal can be continuity. That position will have been reached when inflation has been brought down to a significantly slower rate, and real output is growing at about its potential rate. At that point growth of the GNP in current dollars at a steady and moderate rate, such as 6 percent per year, would serve to support steady growth of output at its potential rate with a far better performance of the price level than has been experienced in recent years.

The problem then will be threefold:

1. To stablize the rate of growth of money GNP as far as feasible at a pace that will permit the economy to produce at its potential;

2. To adapt the economy so that it lives better with whatever remaining instability may develop; and

3. To press on with measures to reduce both inflation and unemployment further.

STABILIZING THE GROWTH OF GNP

To stabilize the growth of GNP will require avoiding destabilizing moves in fiscal and monetary policies and instead using these policies to offset, or at least constrain, destabilizing forces arising in the private economy. One difficulty is that the attempt to use fiscal and monetary policies to counter fluctuations arising in the private economy may itself be destabilizing, if moves are not made in the right amounts and at the right times.

Stabilization by Fiscal Policy

Fiscal policy should avoid large destabilizing swings occurring at random or contrary to the clear requirements of the economy. The big upsurge of Federal spending (nondefense as well as defense spending) after mid-1965, which was unmatched by any general tax increase for 3 years, is a major example of such a destabilizing movement.

The likelihood of achieving economic stability would not be greatly affected by the size of the surplus or deficit, within a reasonable range, if that size were itself stable or changing only slowly, and if the effects on liquidity resulting from secular increases or decreases in the Federal debt were offset by monetary policy. Therefore, it should be possible to decide on the desired full-employment surplus or deficit on grounds other than stability, and without sacrificing stability if the target itself is kept reasonably stable. If the budget position changes sharply in the short run in the absence of marked shifts in private demand, the adaptation of the private economy and the compensatory force of monetary policy may not come into play quickly enough to prevent large swings in overall economic activity. This is a major lesson for the 1970's.

The considerations which should govern the decision about the average size of the surplus or deficit are discussed in Chapter 3. Except as a result of a national emergency, there is probably no reason for this decision to change in a way that would radically alter, from year to year, the size of the surplus or deficit that would be the objective under conditions of high employment.

If the surplus or deficit position of the budget that would be yielded by a steadily growing, full-employment GNP were kept stable, the actual figure would, of course, automatically respond to changes in the pace of the economy. If the economy were to grow unusually slowly in any year, receipts would rise slowly also, and the surplus would be below normal (or the deficit would be enlarged further). These variations in the size of the surplus or deficit would tend to stabilize the growth rate of the GNP. The question is in what circumstances and how to go beyond this and vary expenditure programs and tax rates to offset fluctuations in the private economy. There is now abundant experience with the obstacles to effective and flexible use of tax changes for this purpose. Moreover, recent experience and analysis suggest that the stabilizing power of temporary income tax changes may not be as great as had been hoped, and it might become less if they were used frequently, because people would tend to adjust their behavior to what they regard as the normal rate of taxation. Nevertheless, there will be situations in which tax rates must be changed in order to maintain the desired longrun deficit or surplus position and there may also be circumstances in which the effort should be made to use a temporary tax change to offset destabilizing shifts in private demand.

The possibility of varying the rate of increase of Federal spending in the interest of stability is somewhat greater though still limited. Although tax and expenditure decisions are both politically sensitive, the fact that the President has some discretion to adjust the timing of expenditures within the limits of legislation avoids some of the complications that beset tax changes. Moreover, the effect of expenditure changes on economic activity can probably be more reliably foreseen than the effect of temporary tax changes. It is true that the part of the total expenditures that is open to deliberate variation is small, because of legal and implied commitments. Nevertheless, some variations can, in fact, be made, as they were in 1969, and it would be unwise to rule out the attempt to do more of this when the economic necessity is clear. Furthermore, it is possible to broaden the "automatic stabilizers" in Federal expenditure, as the Administration has proposed in the Manpower Training Act and Employment Security Amendments mentioned earlier.

The possibility of using debt management as an instrument of stabilization policy has been severely inhibited by the 4¼-percent interest rate ceiling on Government bonds. This ceiling has forced the Federal Government to sell only short or intermediate securities since 1965. Raising or eliminating the ceiling to realistic levels, or eliminating it, would provide the Federal Government with a desirable degree of latitude in conducting its financing operations.

Stabilization by Monetary Policy

Monetary policy can be devoted somewhat more singlemindedly to maintaining stability than can fiscal policy. Nevertheless, there are a number of difficulties in its use. Apparently the effects of changes in monetary policy are felt in the economy with widely varying and often long lags. Therefore, if policy that is intended to have a restrictive effect is continued until the effect is visible, the lagged consequences of what has been done may show up in excessive contraction. The attempt to counter this by a sharp reversal in policy to an expansive posture may, after a while, generate inflationary rates of expansion. In the present state of knowledge there is no ideal solution for this problem. Prudence, therefore, suggests the desirability of not allowing monetary policy to stray widely from the steady posture that is likely on the average to be consistent with long-term economic growth, even though forecasts at particular times may seem to call for a sharp variation in one direction or another.

The suggestion that monetary policy might well be steady, or at least steadier than it has been, raises the question of the terms in which this stability is to be measured. There is abundant evidence that the steadiness of monetary policy cannot be measured by the steadiness of interest rates. Interest rates will tend to rise when business is booming and inflation is present or expected; they will tend to decline in the opposite circumstances. Better results might be obtained by concentrating more on the steadiness of the main monetary aggregates, such as the supply of money, of money plus time deposits, and of total bank credit. This still leaves questions of policy to be resolved when these aggregates are tending to move in different directions, or at different rates of change, as they often do. There is no substitute for trying to understand in particular cases what the significance of the divergences is and what they indicate about the underlying behavior of the supply of liquidity.

IMPROVING OUR ECONOMIC DATA

Since the Federal Government has the responsibility for keeping the economy on a noninflationary growth path with high employment, it must have at its disposal the tools for accurately measuring on a timely basis the performance of the economy at the national level. The Government now publishes a broad array of economic statistics that serve this purpose. These statistics, particularly those relating to economic activity in the short run, have grown over the years in volume and quality and have served the Nation well. But our demands for economic data of high quality keep outrunning the supply. The Federal Government is not alone in requiring better statistics, since to an increasing extent businesses have been making use of economic data for planning their own operations. Indeed, never before have so many businesses watched so closely the economic indicators that appear each month or quarter.

More accurate measurement of economic performance would improve the management of policy in a number of ways. It would tell us more certainly where we have been. Elementary as this may sound, it is of crucial importance. Too often this is a fundamental problem for the policymaker. The economy, or some important part of it, may be on a somewhat different course from that indicated by the data. Or economic series that purport to measure the same thing, or almost the same thing, may move in contradictory directions. Sometimes a series that moves in one direction one month moves in the opposite direction when revised the following month. The first requirement for making judgments about where the economy is going or what policies are needed is an accurate picture of where we have been.

Accurate data are also needed in order to help analyze the past and find relationships that have some degree of stability. Accomplishing this aim is obviously only partly a question of statistics; the economy is, of course, more than a mechanism. For example, swings in sentiment and attitudes in our affluent economy have a powerful effect on the inclinations of consumers and businesses to spend. Consumer behavior has been especially difficult to predict in recent years, and may be more complex than had been thought previously. Business decisionmaking is equally complex. Yet economic analysis is a continuing search for patterns of regularity that can be helpful in forming judgments about the economy. And the first requirement for this search is reliable basic data. The Administration has proposed substantial improvements in many of the key economic statistics, including, for example, those relating to retail sales, construction, the service industries, international prices, and job vacancies.

Having data on a timely basis is also important for the policymaker. This is particularly important if there is reason to think that the economy may be shifting its course. This Nation probably has more timely statistics than any other economy, but clearly much improvement is in order here. Early in 1969 the President directed the Director of the Bureau of the Budget to take action that would secure prompter issuance of monthly and quarterly statistical series by Federal agencies. The Bureau of the Budget issued a set of guidelines governing release of major economic indicators, and the statistical agencies have already achieved a considerable speedup. Further progress depends heavily on obtaining prompter reporting from the business community.

LIVING WITH INSTABILITY

If the American people assign sufficient priority to doing so, they should be able to enjoy a higher degree of economic stability than in the past. Still, some instability will remain, and this emphasizes the importance of improving the operation of the economy so that the remaining instability will cause less pain and inefficiency. The most obvious and probably most important step in this direction is improvement of the unemployment compensation system. Proposals of the Administration to accomplish this have been discussed earlier in this chapter. Improvement of labor markets—through better provision for retraining and movement of workers—would also help to prevent the concentration of unemployment on a small group of workers who are substantially injured by it.

On the inflation side, also, some useful steps can be taken. The distortions introduced into the economy by the presence of interest rate ceilings of various kinds—on savings deposits and shares, on guaranteed and insured mortgages, on loans generally under State usury laws—have become evident in this inflationary period. When market interest rates rise certain uses of credit are shrunk disproportionately because of these ceilings. The need to free the economy of these rigidities is discussed in Chapter 4.

The construction industry has experienced much greater fluctuations in conjunction with general economic instability than most other industries. This has been painful to the workers and contractors in the industry and harmful to the growth of its productivity. Steps to reduce this extreme instability are also discussed in Chapter 4.

THE CONTINUING PROBLEMS OF INFLATION AND UNEMPLOYMENT

The present anti-inflation effort should reduce the rate of inflation substantially and demote inflation from its position as the Nation's most important economic problem. Still the problem of getting the inflation rate down further, while at the same time maintaining high employment, will probably remain. This will require persistent efforts to reduce the inflation that occurs when demand is growing sufficiently to keep employment high. One of the most hopeful lines of attack will be to improve the adaptation of the labor force—in skills and location—to the pattern of demand for labor. This will shorten the interval of job-search for persons losing or leaving old jobs or entering the labor force, in given conditions of the labor market. It will permit an increasingly high rate of employment to be attained without so strong a pressure of demand as to cause inflation. Manpower programs to move in this direction by better training programs, application of computer technology to job placement and general overhaul of the Nation's job exchange system, have already been discussed. Evaluation of experience with them should permit further development of improved methods. Measures to improve the competitiveness of product markets to assure that business policies will freely and flexibly adapt to changes in market demand will also contribute to reducing the average rate of inflation that accompanies high employment. Some of these measures are considered in Chapter 4.

There is no inherent reason why a high employment economy must be an inflationary economy—even a mildly inflationary economy. After the series of inflationary episodes since World War II, the transition to a stable condition of high employment without inflation will come slowly. But with persistent attention and effort it is attainable.

CHAPTER 3

Uses of the National Output

INTRODUCTION

BY ANY USUAL MEASURE, AMERICA ENTERS THE 1970's a wealthy nation which is growing wealthier at a rapid rate. Per capita national income in 1969 was about $3,400 and had increased in real terms about 40 percent since 1959. It is expected to increase 20 percent more by 1975.

Despite this, or perhaps because of it, Americans are becoming acutely aware that being rich and growing richer does not solve all of our problems. The realization that we expect more than the economy can produce, productive as it is, points the way to the real problem, which is to make sure that the output is used efficiently to meet our most important needs. There is a growing sense that the limited national output is not being used in this way.

The focusing of increased attention on how the national output is divided comes after a generation in which it had seemed that the country could make a quantum jump in available output that would dramatically improve the quality of life. In fact, for a time this was true. During the 1930's, when the Nation was producing far below its economic capacity, we expected that our needs could be satisfied by the return of production to reasonably full employment. During World War II, when the economy actually operated at capacity, private citizens could foresee a large increase in the output available to them after the war.

Later, in the 1950's and early 1960's, many people were impressed with the possible contribution that a "small" increase in the annual rate of economic growth—from 3 or 4 percent to 5 or 6 percent—would make to providing the output available for every kind of purpose. "Faster growth" became the source from which all new claims on the national output would be met. But in time this was seen to be largely an illusion. The basic full-employment growth path of an economy is not readily raised by any of the policy instruments that we now know about. The country could count on sustained growth to increase its capacity for doing many things. It could not count on being able to boost the growth rate at will to support every new claim.

Although the necessity to confine total uses of output to a growing but limited productive capacity is becoming more recognized in principle, it tends to be ignored in practice. This is obvious in Federal Government policy involving claims on resources. Even when the economy is operating at fairly full employment it is possible to increase Government expenditures, to reduce taxes, and to finance Government borrowing by monetary expansion. This may seem to provide an escape from the limitation on resources and the necessity for hard choices that all individuals and State and local governments face. But in fact it does not. All it does is let inflation choose which demands are satisfied and which are not. A mature people can find a better way to make these choices. The basic problem is to make better decisions about the uses of the national output. This chapter discusses the role of the Federal Government in this process.

The attention given here to the Federal Government's role in allocating the national output may seem excessive for a nation committed to a free-market, decentralized economic system. The idea that the Federal Government must make hard decisions to allocate the limited resources within its own budget is commonplace. The idea that it does or should influence the allocation of the output of the entire economy is not. However, the Federal Government does have an important influence on decisions about the use of resources in the private, as well as the Government sector. Perhaps that influence should not be as big or as detailed as it is. Nevertheless a large influence exists, and much of it is inevitable or desirable or both. This influence should be recognized, its effects appraised, and decisions consciously made to achieve the effects that are preferred.

In 1969 the Federal Government purchased and used, mainly for defense, 11 percent of the gross national product. The remainder, except for a small amount of net exports, was used for personal consumption, for private investment, and for State and local government purposes. The Federal Government was a major influence in the division of the remainder among these three categories and within them. While it purchased only about 11 percent of the national output for its own use, it collected about 20 percent of the national output in taxes and social insurance contributions. It returned the difference to State and local governments in grants, to households in transfer and interest payments, and, since there was a budget surplus, to private capital markets for investment through repayment of Government debt. Grants to State and local governments to finance purchases (as opposed to transfer payments) were about 13 percent of their purchases. Federally financed transfer and interest payments to persons were equal to about 11 percent of consumer expenditures. The funds supplied by the Federal surplus to capital markets and available for private investment were 6 percent of gross private domestic investment. The relative amounts of these flows, and the taxes used to raise the revenues, substantially affected the division of the available output among these three broad categories.

Federal decisions also influence the division of the output within these categories. The Federal Government not only provides the States and localities with billions of dollars in grants, but it provides these grants through hundreds of separate programs for specific purposes. The taxes it collects from households and the transfers it pays to them come from and go to particular classes of persons, and thus affect the distribution of income and the composition of consumer spending. Taxes levied on specific items, such as automobiles or alcoholic beverages, also affect what is consumed. Facilities and services provided by the Federal Government stimulate private consumption or investment expenditures that are complementary with them or curtail private expenditures that are competitive with them. For example, Federal expenditures on highways encourage private expenditures for automobiles and trucks.

THE DECISIONMAKING PROCESS

The Federal Government has a large and pervasive influence on the allocation of the national output. Its decisions in this role fundamentally affect the national welfare. There can be no single, scientifically determined "best" allocation of the national output. Differences of interest, value, and opinion among people are inevitable, and they are not of a character that can be resolved objectively. They must, however, be reconciled, and it is the function of the political democratic process to do this.

Given the distribution of interests and the location of powers to make decisions, there is still much that needs to be done to reach better decisions—to make sure that as far as possible the consequences of decisions are known and are taken into account as they are made. Decisionmakers need to know the longrun as well as the immediate results of what they do, and the indirect as well as the direct results. They need to see the options that are open to them, and there must be an opportunity for differing viewpoints to confront each other. The effort to improve decisionmaking has a long history, in which the establishment of the modern budget, the consolidation of the Appropriations Committees in Congress, the development of the Executive Office of the President, and the creation of the Council of Economic Advisers were milestones.

THE LEVEL OF DECISIONMAKING

One basic requirement for good choices about the use of the national output is, of course, that they should be made at the right level and by the right people. The mere size of the Federal Government will influence the division of decisionmaking between it and the non-Federal—private, State, and local—parts of the community. There is a strong case for holding down that size in order not to load responsibilities on the Federal Government beyond its capacity to discharge them, as well as for other reasons. The character of the Federal activities is probably as important as their volume in determining the location of decisionmaking. For example, Federal tax policy inescapably influences the total amount of consumption expenditures by private households, but some kinds of taxes go further and influence the composition of consumption. Similarly, the Federal Government probably cannot avoid influencing the total rate of private investment, but different Federal policies can involve more or less Federal influence over the character of the investment.

The problem of the appropriate level of decisionmaking has become critically important in the relations between the Federal Government and the States and localities. The amount of Federal financial assistance to the lower levels of government has grown markedly in the postwar period. This growth has raised the question whether the Federal Government should be a neutral supplier of funds or should attempt to determine how States and localities use these funds, and their own. Undoubtedly there is room for some Federal intervention in the decisionmaking process. However, grants for highly specified purposes have reached a degree of detail which is neither necessary nor efficient.

The Administration has proposed to alter the Federal-State-local relationship by instituting a system of revenue sharing, through which the Federal Government would supply funds without dictating their use. In addition the Administration has asked for authority to consolidate some of the innumerable specific grant programs when they relate to similar functions. In these ways it is hoped to improve the overall decisionmaking process.

BUDGETARY BALANCE AS DISCIPLINE

Balancing the Federal budget has long been a symbol and instrument of discipline in Government decisionmaking. The requirement that if some expenditures are raised others must be cut or taxes must be increased has forced Government officials to count the costs of expenditures. In recent years the Nation has become more sophisticated about budget deficits and surpluses. It has learned that the size of the surplus or deficit will and should vary with economic conditions. It is now learning that the longrun average size of the surplus or deficit should be determined by the amount of savings it is desired to make available for private business and housing investment in total. But this does not reduce the relevance or value of the budget-balancing discipline.

Once the appropriate longrun average size of the surplus or deficit has been determined, that goal should not be changed except upon reconsideration of the longrun objectives. Shortrun fluctuations in private demand will sometimes require offsetting temporary changes in tax rates or Federal expenditures. And the size of any specific year's surplus or deficit will inevitably depart from the target level as a result of economic fluctuations, even with tax rates unchanged and expenditures at longrun levels. But achieving the desired average budget position over a period of years means that on the average expenditures can grow only as fast as full-employment revenues.

Beyond that, expenditure increases in one area must be matched by expenditure cuts in another, or by increased taxes. In principle, every decision on Government expenditures should reopen the question of the desirable size of the surplus or deficit. In fact, Government cannot operate that way. The objectives served by the surplus or deficit, although important, are remote and indirect. These objectives will suffer if they are implicitly reevaluated every time an expenditure decision is made. In their day-to-day decisions about spending, Government officials need to be confronted with costs that are obviously and directly within their purview and responsibility. This means that they must at least count costs that appear in the form of tax and expenditure requirements to meet a given surplus or deficit target.

The budgetary discipline in the Federal Government can only be self-discipline. If the old symbolism of the balanced budget is losing its force, a new understanding of its value must replace it.

TOWARD IMPROVING FEDERAL DECISIONS

Although a budgetary rule that requires the balancing of additional expenditures against additional revenues has an essential role in Federal decisionmaking, it is by itself far from a sufficient guide to the discharge of the Federal Government's fiscal responsibility. This rule tends to focus attention on the shortrun aspects of what are also longrun commitments. It forces the counting of costs, but it does not provide realistic information on what the costs are. It concentrates on choices among uses of the relatively small part of the national output that is within the budget without adequately revealing the effects that the choices will have on the larger part that is outside the budget.

This Administration has taken several important steps to improve decisions about the allocation of resources. The President established in July 1969 the National Goals Research Staff to identify alternative goals important to Americans and to study long-range social trends of significance for national policy. The Cabinet level Urban Affairs and Rural Affairs Councils and the Cabinet Committee on Economic Policy are interagency groups the President has formed to coordinate the development of policy. The Defense Program Review Committee, on which the Chairman of the Council of Economic Advisers and the Director of the Bureau of the Budget serve, helps to assure that the broad picture of total national resources and claims enters into the process of decisionmaking for defense.

As a further step toward improving the organization of the Executive Branch for making its major policy decisions, including those which importantly affect the allocation of the national output, the President established the President's Council on Executive Organization—the Ash Council.

In 1965, a new effort was inaugurated throughout the Government, in the planning-programing-budgeting system, to evaluate more objectively the costs and benefits of existing and proposed programs. Building on this beginning, the Administration is now focusing economic analysis primarily upon major policy issues. By examining especially carefully the most important programs, scarce analytical resources are economized; thus analysis can penetrate further into the decisionmaking process. Potential savings from improved decisions can be large.

Analysis of the possible implications of proposed decisions before they are taken is, although speculative, obviously necessary. Equally necessary, and somewhat less speculative, is evaluation of the results of decisions after they have been taken. Persistent efforts to evaluate existing programs are necessary if the Nation is going to be able to do the new things it wants to do. One of the steps in this direction was the President's instruction to the Office of Economic Opportunity to establish a research and evaluation office capable of independent appraisal of Federal social programs affecting the disadvantaged. Evaluation of the results of Government programs remains one of the most urgent needs of Government as it seeks to make effective decisions about the use of resources.

Besides assessing the full costs and benefits of Federal programs, agencies must take into account the time pattern in which benefits and costs of programs occur. The Government, like private firms and individuals, must recognize that benefits are worth more if they occur today rather than tomorrow. Accordingly, agencies have been directed to apply a discount factor to all programs which have costs or benefits that occur 3 or more years in the future. Studies have been undertaken to determine the appropriate factors to use in this kind of calculation. In addition, explicit account is being taken of risks involved in public projects.

The Administration is seeking to formulate the larger choices it faces in the allocation of national output in the light of the competing options. Among the most important steps in this direction have been the interrelated studies conducted through the National Security Council and the Cabinet Committee on Economic Policy. These studies examined alternative defense strategies with their associated costs and alternative nondefense Federal programs. Various defense strategies were translated with rough accuracy into a large number of possible forces and budgets. Similarly, alternative nondefense Federal programs were developed. The studies revealed the probable effects of different combinations of defense and nondefense programs on private consumption, housing, other investment, and State and local expenditures, given the limit set by potential national output. These studies in the Cabinet Committee have also explored trade-offs among various nondefense programs within resources that will be available from continued economic growth and assumed reductions in defense expenditures. All of these studies have served as background for consideration of long-range revenue and expenditure decisions.

FUTURE NATIONAL OUTPUT AND THE CLAIMS UPON IT

The last few pages have discussed mainly the budgetary *rules* and decisionmaking *procedures* that might improve Federal Government decisions. These decisions affect the use of the entire national output, as was pointed out in this chapter's introduction. The substance of the priorities problem is to allocate the future national output among alternative uses in a rational way that reflects decisions about national priorities. This tailoring of Federal decisions concerning allocation to a view of national priorities requires—

1. An estimate of what the future national output can be.
2. A view of the claims upon the national output—the things we would like to do with it—that are eligible for serious consideration.
3. A view of the policy measures that would be necessary to bring about satisfaction of some claims rather than others.
4. A decision about the claims to be satisfied and the policies to carry out the decision.

Step 4 in this process must, of course, ultimately reflect Government decisionmaking at the highest level. This section undertakes a tentative approach to the first three steps. No one can now confidently draw comprehensive and detailed conclusions on these first three steps. But even the rough and preliminary estimates presented here reveal much about the priorities problem confronting the Nation and establish the need for further efforts to analyze it.

Projections of available future output and the potential claims on it can move discussion of the priorities problem from vague and sometimes easily ignored knowledge to the concrete realization of just how limited the available output will be. First, a projection will be made of available output—GNP in real terms for the years 1970–75. Then visible claims on this output by consumers, governments, and business will be projected. Adding up these claims and comparing the total to available GNP will indicate the magnitude of the priorities problem. The projections will also provide a framework for discussing various policy alternatives that would meet various sets of claims on the output.

The principal objective of this section, therefore, is to estimate the claims against GNP and to show how different patterns of allocation of the GNP can be achieved. Since it is assumed throughout that the projected real GNP is in fact achieved, the only problem discussed here is how the GNP is to be allocated. The projected GNP can be achieved by any one of a number of different combinations or "mixes" of fiscal and monetary policy, which will differ in the allocation of the total GNP that results from them. In these terms this section is concerned with which mix will give a desired allocation of the total GNP. In the short run, this is probably an exaggeration of the choices available; the number of mixes consistent with economic stability may be more limited. But for the long run, which is the appropriate context of this analysis, the assumption of a given GNP achievable with any of a large variety of policy mixes and resource allocations is reasonable.

Since the problem here is allocation of a projected real GNP as it moves along its growth path, the projections are made in constant 1969 prices. This does not imply any forecast about the price level; rather the assumption keeps the focus on the allocation problem.

POTENTIAL AND PROJECTED GNP

The output the economy would be capable of producing when operating at an unemployment rate of about 3.8 percent—called here potential output—is estimated to rise by about 4.3 percent per year in real terms. This results from projected growth of the labor force at 1¾ percent per year, a decline in annual average hours of work per person of one-quarter of 1 percent per year, and an increase of output per man-hour in the total economy of 2.8 percent per year. Projected available output is assumed to be below potential from 1970 until 1972, as a result of policies to slow inflation, but to equal potential output thereafter.

The resulting illustrative projections of available GNP at 1969 prices are shown at the top of Table 13.

CLAIMS ON THE NATIONAL OUTPUT

To list uses of the national output which though desirable would exceed potential output is not difficult. But that is not the purpose here. The purpose is to present the claims that already exist. The largest part of the claims is found in the usual consumption behavior of households, given the incomes they would be earning and the taxes they would be paying, and in the investment behavior of businesses, given the total output and demand projected. Other claims exist in the form of ongoing Government programs, goals stated in legislation, and proposals made by the Administration.

TABLE 13.—*Gross national product, 1969 and projections for 1970–75*

[Billions of dollars, 1969 prices; calendar years]

Claim	1969, actual	Projections					
		1970	1971	1972	1973	1974	1975
Gross national product available	932.3	944	980	1,042	1,103	1,150	1,200
Claims on available GNP	932.3	944	980	1,042	1,100	1,144	1,188
Federal Government purchases	102.0	93	89	88	87	87	86
State and local government purchases	112.7	116	120	125	131	137	142
Personal consumption expenditures	576.0	594	620	664	704	735	769
Gross private investment	141.7	141	152	166	178	186	192
Business fixed investment	99.3	103	105	111	116	120	125
Residential structures	32.2	29	34	40	46	49	49
Other investment	10.1	10	14	15	16	17	18
Excess of claims	.0	0	0	0	−3	−6	−12

Note.—Projections are based on projected Federal expenditures (see Table 14) and their influence on various components of GNP.

Detail will not necessarily add to totals because of rounding.

Source: Council of Economic Advisers.

Large claims not recognized in these estimates exist and new ones will emerge. However, it is sufficient here to show that the existing, visible, and strongly supported claims already exhaust the national output for some years ahead. This is not to say that no other claims will be satisfied, or that claims included in these calculations should have preference over claims not recognized here. The basic point is that if other claims are to be satisfied some of those recognized here will have to be sacrificed.

The projection of claims on the national output shown here corresponds to a projection of Federal spending. Federal spending affects not only the Federal Government's own purchases of goods and services but also the purchases of State and local governments, through Federal grants to them, and the purchases of consumers, through Government transfer payments. The method of estimating the claims is described briefly here and in more detail in the Appendix to this chapter.

1. The estimate of Federal spending includes a *baseline* projection of the costs of the Federal Government's 1970 program, in 1969 prices, and the costs of new programs already proposed by the Administration. The baseline adjusts the 1970 program for changes related to population, workload, and pay increases in 1969 dollars. The new initiatives, shown separately in Table 14, project the 1969 dollar costs of proposed new programs, such as the Family Assistance Program and Revenue Sharing, and proposed expansion of existing programs.

2. State and local spending is the estimated consequence of projected growth of GNP (in 1969 prices) and population to 1975 plus the grants included in the Federal expenditure projections of Table 14.

3. Personal consumption is the expenditure that would result from the amount of income that households would have available if the projected GNP at 1969 prices were produced, present tax laws remained in force (with the income tax surcharge expiring June 30, 1970), and governments made the transfer payments included in the government expenditure projections.

TABLE 14.—*Projections of Federal expenditures, national income accounts basis, 1970-75*

[Billions of dollars, 1969 prices; calendar years]

Priority category	1970	1971	1972	1973	1974	1975
Federal expenditures	189	192	196	200	204	206
Baseline	188	186	186	188	190	191
Purchases of goods and services	92	88	87	86	85	84
Transfer payments to persons [1]	56	59	62	65	68	70
Grants-in-aid	22	22	22	23	23	24
Other	19	16	15	14	14	14
New initiatives	1	6	10	12	14	15
Purchases of goods and services	1	1	1	1	2	2
Transfer payments to persons [1]	0	3	6	6	5	5
Grants-in-aid	0	2	3	5	6	7
Other	0	0	0	0	0	0

[1] Excludes transfer payments to foreigners, which are included under "Other."

Note.—Detail will not necessarily add to totals because of rounding.

Source: Bureau of the Budget.

It is assumed that personal saving is 6.5 percent of personal disposable income.

4. Residential construction expenditures are the amounts consistent with reaching the goal specified in the Housing and Urban Development Act of 1968 along the path of housing construction shown in the Second Annual Report on National Housing Goals.

5. Business fixed investment in real terms is estimated to decline as a fraction of privately produced real GNP from 12 percent, which it has averaged since 1966, to 11.5 percent by 1975. This would continue the downward trend of the ratio of capital stock to real output experienced since World War II.

6. The two other components of real GNP—inventory investment and net exports—are both projected to rise slowly with their total growing from $10.1 billion in 1969 to $18 billion in 1975 (in 1969 prices).

BALANCING CLAIMS AND RESOURCES

The results of these calculations are summarized at the bottom of Table 13 in the figures on the excess of claims over resources. The projected claims, which assume no addition to present Federal nondefense programs beyond those already proposed by the Administration, would approximately absorb all available resources through 1973 and leave room for significant additions only by 1975.

The basic lesson of the estimates is that the country is already at a point where, despite prospective rapid growth of output, a decision to satisfy an existing claim on a larger scale or to satisfy a new claim will require giving up something on which people are already counting.

These estimates are based on a number of assumptions which may turn out to be wide of the mark. Even a generous allowance for errors in the assumptions, however, is unlikely to change the fundamental picture. And some of the assumptions may themselves be optimistic. If potential output grew by only 4.0 percent rather than 4.3 percent, the excess of claims would increase, but only slightly, because consumption expenditures and business investment, which amount to about 80 percent of total claims, would also be smaller. On the other hand, the excess of available output over claims would be a little larger, about $4 billion more in 1975 (in 1969 prices), if personal savings were 7 percent of disposable income instead of the 6.5 percent assumed here. This is possible, but it is no more likely than that the personal savings rate should turn out to be 6 percent, which would increase claims on available output. Other departures from the assumptions are possible—certainly there will be some—but none seems sufficiently large or probable to change the conclusion. Moreover, there is little reason to expect that these departures will all be in the same direction.

Inability to meet all the visible claims would not deny that the country is rich and growing richer. The most comprehensive index of the economic condition of the population—real per capita personal consumption—would rise about 3½ percent per year under the Table 13 projections, compared to 2½ percent per year in the period 1957 to 1967. The conclusion is simply that choices must be made.

In fact, of course, choices will be made. The total of satisfied claims cannot exceed the available output. Policies, whether of omission or commission, will determine which claims get satisfied and which do not. The following discussion of ways in which claims and resources can be brought into balance is not intended to support any particular claims or any particular ways of meeting them. It is only intended to illustrate the options that are permitted and not permitted by the arithmetic of the economic system.

If the projections of output prove reasonably accurate, and Federal expenditures run at the projected level, or higher, with taxes unchanged, trimming of claims on output would fall mainly on investment. Private saving, together with the Federal surplus, would be inadequate to finance all the private investment claims shown here through 1973. Interest rates would rise, and, while this might stimulate saving, the main effect would be to make funds scarce and expensive and keep some investment demands from being met. Since housing is more sensitive to the supply of funds than other investment, the shortfall would probably be relatively larger in housing. If, however, the shortfall occurred in capital outlays of businesses, productivity would tend to be adversely affected, and the economy's rate of growth would lag.

Government policy could bring about a different pattern of resource allocation. If it were desired to do so, the combined investment claims shown here could be satisfied by either of two approaches, or some combination of them. One would be to hold Federal expenditures down, below the level projected here through 1973 and not too much higher thereafter. Federal purchases of goods and services would be lower, and State and local purchases and consumers' purchases would also be lower as a result of smaller grants and transfer payments. With purchases in these categories lower, more of the national output would be available for investment. As a corollary to this, there would be a larger budget surplus, which would make more funds available to finance private investment. To obtain the same level of investment with higher Federal expenditures, the second alternative would be to raise taxes to restrict private consumption, thus releasing resources for investment and sustaining the budget surplus needed to finance investment. These methods of generating a surplus to finance a desired total of private investment would not in themselves assure any particular division of the total between business investment and housing.

What has been said about the combination of taxes and expenditure programs that would be required to permit satisfaction of the private investment claims implies a certain relationship between the Federal surplus and private investment. The surplus must be large enough, when added to private saving, to finance the private investment. The higher the private investment desired, the larger, in general, will be the budget surplus required. This is the main longrun implication of a budget surplus.

The additional surplus that would be required to support an additional amount of private investment, say $1 billion, would probably be larger than $1 billion if the additional surplus is created by raising taxes to reduce consumer spending. This is because the higher taxes will probably reduce private saving somewhat, and the surplus must be large enough to cover the additional investment desired plus the loss of private saving. Thus, on the assumption used in this section that personal saving is 6.5 percent of personal income after tax, additional personal taxes and a further surplus of $1.07 billion would be required to increase the total of private saving and the surplus by $1 billion.

These are propositions about the national income accounts budget, which, unlike the unified budget, does not include as an outlay the net lending of the Federal Government. To the extent that net lending of the Federal Government to finance private investment is already included in the unified budget as outlays, the surplus that would be required in the unified budget would be smaller. The required surplus would be the excess (if any) of desired private investment over private saving plus Government net lending. That would not, however, affect the amount of taxes that would be required to bring about a given amount of private investment. It would only mean that part of the taxes would be used to finance the Government lending, rather than the repayment of Federal debt which would permit private lenders to supply more funds to private investment.

CONCLUSIONS

The estimates of this section are, of course, hypothetical calculations based on inevitably somewhat arbitrary assumptions. The costs of programs now on the books may turn out to be different from projections used here. Moreover, programs now in being can be modified or eliminated if people decide that costs are excessive or that other things are more important. The capability of the economy to grow may be different from what has been assumed. Nevertheless, for all of their necessarily hypothetical character, these estimates do highlight three important points that have major implications for fiscal policy. First, existing claims upon the growing available national output already exhaust the probable output and real national income that the economy can generate for several years to come. The satisfaction of a new claim, therefore, necessarily will require the rejection of another claim which now exists. Second, the Federal Government's fiscal policies will directly affect which claims on our national income are satisfied—not only the direct Federal claims but also State, local, and private claims. Federal actions that increase State, local, or private expenditures—even if those actions are not reflected in the Federal budget—

generate claims against the national output. Therefore, the Federal Government should be concerned that its extrabudgetary as well as its budgetary actions do not generate excessive claims or do not cause more important uses of the national output to be displaced by less important ones. Third, the level of private investment in business plant and equipment, and particularly in housing, is necessarily directly affected by decisions that determine the character of the budget and the target for a longrun average surplus or deficit. The budget and the budget surplus should not be regarded merely as conventional symbols of sound finance; they have a profoundly important functional role in achieving national goals.

APPENDIX

Basis for Estimates of Output and Claims

POTENTIAL AND PROJECTED GNP

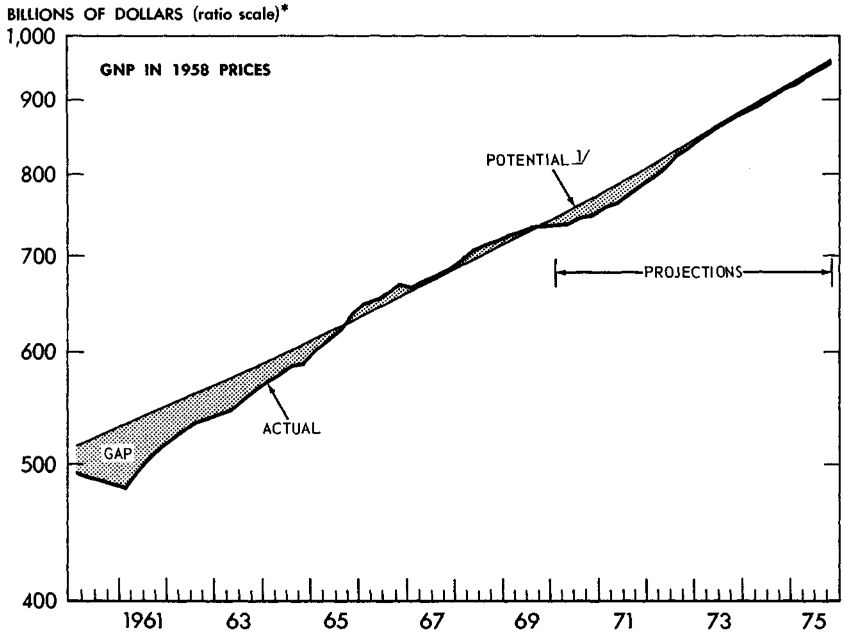
The available total output by years from 1970 to 1975 is estimated in two stages, one yielding potential output and the second yielding projected available output.

Potential output is considered to be the output the economy would produce when operating at a 3.8 percent unemployment rate. This is slightly above the rate in the last half of 1969 when actual output was considered to be close to the potential. The annual growth of real potential output is determined by the growth of the labor force, estimated at 1¾ percent per year, the decline in annual average hours of work per person, estimated at one-quarter of 1 percent per year, and the growth of output per man-hour. In the private sector of the economy, output per man-hour is estimated to grow by about 3.1 percent per year—less than in the early 1960's when resource utilization rose, but more than in 1965–69 when the economy operated under excessive demand pressure. Allowance for the fact that productivity growth in the Government sector, which produces about 9 percent of national output, is zero by definition (because Government output is measured by labor input) reduces the overall productivity growth rate to about 2.8 percent per year. Combined with the estimates of labor input, this yields about a 4.3 percent rate of growth of potential real GNP.

Projected available real output lies below potential output from 1970 to 1972 because some gap between actual and potential output is necessary to slow down inflation. A gradual closing of the gap is projected to permit the potential to be regained without reviving inflation. Potential and projected real GNP, in 1958 dollars, are shown in Chart 8. Projected available GNP in 1969 dollars is shown at the top of Table 13.

Chart 8

Gross National Product, Actual and Potential



*SEASONALLY ADJUSTED ANNUAL RATES.

1/ TREND LINE OF 3.5 PERCENT FROM MIDDLE OF 1955 TO 1962 IV, 3.75 PERCENT FROM 1962 IV TO 1965 IV, 4 PERCENT FROM 1965 IV TO 1969 IV, 4.3 PERCENT FROM 1969 IV TO 1970 IV, 4.4 PERCENT FROM 1970 IV TO 1971 IV, AND 4.3 PERCENT FROM 1971 IV TO 1975 IV.

SOURCES: DEPARTMENT OF COMMERCE AND COUNCIL OF ECONOMIC ADVISERS.

CLAIMS ON THE NATIONAL OUTPUT

Federal Expenditure Projections

Federal expenditure projections are presented before those for the private and State and local government sectors, because the level and nature of Federal expenditures affect the other expenditure components. The amount of Federal transfer payments to individuals affects consumer expenditure, and the level of grants affects State and local purchases. Because of these effects it is convenient to have an initial projection of Federal spending preparatory to making projections of expenditures in the rest of the economy.

Baseline Expenditures. The cost of the 1970 Federal program, adjusted for increases in workload and pay increases at 1969 prices, gives the projection of baseline expenditures in Table 14, broken down into purchases of goods and services, transfer payments, grants, and other expenditures.

The major increases in the baseline are projected for *transfer payments,* which rise by $14 billion (in 1969 prices) from 1970 to 1975, and *grants* to

State and local governments, which rise by $2 billion in that period. Much of the increase in transfers will be due to increased coverage and population growth, as more people receive checks for social security, disability insurance, and so forth. But part will also be due to higher real benefits. Much of the increase in grants will come in essentially open-ended programs, such as Medicaid, in which the Federal Government must provide matching funds if the States choose to provide funds for the program.

New Initiatives. The costs at 1969 prices of new programs proposed by the Administration in the Fiscal 1971 Budget are added to the baseline expenditures to give the projections of Federal expenditures used here. These in turn are broken down into purchases, transfer payments, grants, and other expenditures.

The costs of Federal programs at 1969 prices are projected to rise from $189 billion in 1970 to $206 billion in 1975. Two aspects of these expenditure projections are especially noteworthy. First, the projections include expansions of transfer and grant programs and a reduction of purchases. Expanded Federal programs would focus upon providing money to people in transfers, and to States in grants, rather than upon purchasing output directly. Second, projected Federal expenditures build up rapidly through 1974 and rise less rapidly thereafter. If this path were in fact to materialize, the claims-resources position would be tighter in the early 1970's, and a bit easier in the middle 1970's. But this flattening out of the expenditure path may instead reflect simply the difficulty of seeing more than 3 or 4 years ahead. As these years arrive, further proposals for new programs or extensions of existing programs can be expected to come forward. Thus it should probably be assumed that the position will be just as tight in the middle 1970's as in the next year or so.

State and Local Government Purchases

State and local government purchases of goods and services at 1969 prices are projected to grow with real GNP, population, and projected levels of Federal grants-in-aid from 1970 to 1975. Projected growth of these items yields the estimates of State and local purchases shown in Table 13. In 1969 dollars, State and local purchases are projected to increase from $116 billion in 1970 to $142 billion in 1975, or at an average annual rate of 4 percent. Of the $26 billion increase in State and local purchases from 1970 to 1975, $8 billion is projected to be due to population increases. This leaves a projected increase of $18 billion over and above the cost of providing State and local services at the present per capita level. This $18 billion represents an increase of 2.8 percent per year in the real per capita quantity of the services provided by State and local purchases, compared to the 1962 to 1968 average increase of 3.8 percent.

Personal Consumption Expenditures

Consumer spending is a fairly stable fraction of personal income after taxes, aside from shortrun variations. Personal income other than transfer payments is assumed to be 73 percent of GNP. Adding to this transfers by Federal, State, and local governments gives total personal income. Projected Federal, State, and local personal taxes are subtracted to arrive at disposable personal income, which is allocated between consumption expenditures, personal interest and transfer payments, and personal saving.

The projections assume a saving rate of 6.5 percent, and 2.5 percent for personal interest and transfers, leaving 91 percent for consumer spending. The projections of consumer expenditures in 1969 prices, based on the projected Federal expenditures, are shown in Table 13.

Two important assumptions in the consumer spending projections should be noted. First, the 6.5 percent saving rate is near the middle of the 4.9–7.4 percent range experienced since 1960. Second, the projections in the table assume present tax law.

Private Investment Demand

The remaining four elements of private demand are estimated independently of the Federal expenditure projections. These are business fixed investment, residential construction, inventory investment, and net exports.

Business Fixed Investment. Since cumulative net business investment equals capital stock, the projection of investment should yield an accumulated capital stock consistent with the projected GNP path and a reasonable capital-output ratio.

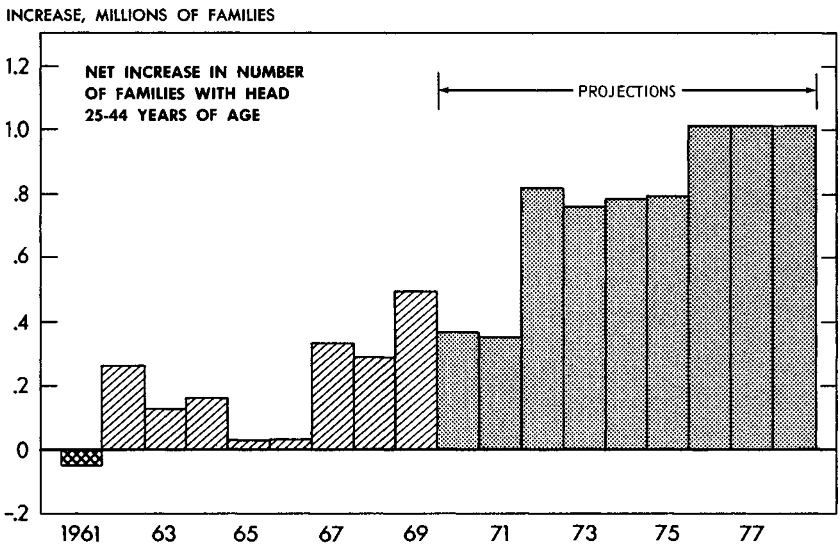
Since 1966, real business fixed investment has averaged 12 percent of real private output. It is estimated that if this fraction gradually falls to 11½ percent by 1975, the ratio of capital stock to real output would continue the slow downward trend experienced since World War II. The projections of business fixed investment in 1969 dollars are shown in Table 13.

Residential Construction. A key area of the projections is residential construction. Twice in the last half decade homebuilding has been severely squeezed by the competition of the Federal deficit and high business investment for the supply of private saving. Moreover as Chart 9 shows there will be a substantial increase in the rate of family formation in the next 5 years. Both because of the backlog of need created by the housing declines in 1966 and 1969–70 and because of the increased demand for housing generated by family formation, the number of housing starts is likely to rise considerably in the early 1970's.

In the Housing and Urban Development Act of 1968, Congress stated a goal of 26 million new housing units to be constructed from fiscal year 1969 to fiscal year 1978. The Second Annual Report on National Housing Goals to be submitted by the President this month projects a path of housing construction, including both conventional and mobile homes, to 1978 which will meet the goal and is considered feasible. The conventional

Chart 9

Net Family Formation



SOURCES: DEPARTMENT OF COMMERCE AND COUNCIL OF ECONOMIC ADVISERS.

housing starts portion of this path, on which the residential construction projection is based, is shown in Chart 10.

This path of starts gives the residential construction projection in 1969 dollars shown in Table 13. The projection assumes residential construction expenditures per start (in 1969 dollars) of $21,800— the 1959–68 average— from 1970 to 1975. This cost figure will turn out to be high if the cost-reducing potential of Operation Breakthrough, the industrial housing program of the Department of Housing and Urban Development, is fulfilled.

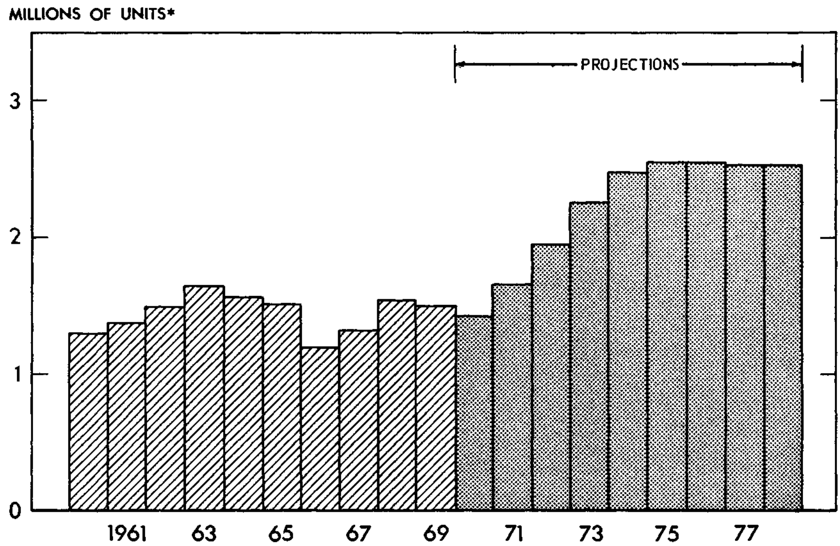
The two small remaining components of GNP—inventory investment and net exports—are both projected to grow roughly in line with GNP from 1970 to 1975. Inventory investment along trend is expected to be roughly a constant fraction of GNP, perhaps 1 percent. This would maintain an approximately constant ratio of stocks to final sales. Net exports are projected to expand from the 1969 low as the U.S. trade position improves.

Total Expenditure Projections

The second line of Table 13, "Claims on available GNP," which adds up the expenditure projections assuming projected Federal expenditures, shows total visible claims on potential GNP.

Chart 10

Housing Starts



*TOTAL PRIVATE AND PUBLIC. DATA EXCLUDE MOBILE HOME SHIPMENTS.
SOURCES: DEPARTMENT OF COMMERCE AND DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

To avoid confusion, it should be noted here that the "Claims on available GNP" of Table 13 is *not* the equilibrium GNP in 1969 dollars that would result if the "exogenous" investment and government expenditures were realized. This is because consumer spending is projected on the basis of present tax law, transfer payments in the Federal spending projections, and *available GNP*. Thus the difference between available GNP and "Claims on available GNP" is the reduction in exogenous expenditure needed to bring the demand for output down to the level of available GNP.

CHAPTER 4

Government and the Market

"IT SHALL BE THE DUTY AND FUNCTION OF THE COUNCIL . . . to appraise the various programs and activities of the Federal Government . . . [and] to develop and recommend to the President national economic policies to foster and promote free competitive enterprise. . . ." With these words in Section 4, the Employment Act of 1946 makes clear the responsibilities of Government for the vast range of policies and programs that are concerned with strengthening the vitality and efficiency of our market economy. This chapter, therefore, focuses on the essential role of the Government in maintaining a competitive free market economy and in supplementing the market where necessary to achieve efficiency and progress.

This role of the Government is especially important today when many people have become disenchanted with the effects of the Government's participation in economic life. We rely upon the Government to do more than ever before, but we grow less and less confident that its ways of discharging the responsibilities placed upon it are the most effective. On occasion the Government's action has run counter to its responsibility, restricting rather than promoting competition and failing to observe the principles of the market economy in the management of its own affairs.

In the main, we depend for the satisfaction of our economic goals on the voluntary activity of individuals. Traditionally this Nation has accepted the premise that the individual should be as free as possible to decide for himself what goods and services will be best for him and where and how he will exercise his own talents and energies in the common productive efforts. By and large the resultant system serves us well. It has made possible a large and growing measure of personal liberty, wider job opportunities, and rising levels of living. Because each of us has considerable freedom in applying his knowledge and talents, our system is more flexible, innovative, and progressive than if it were guided in detail by Government edicts.

ROLE OF THE GOVERNMENT

An economic system cannot, however, operate in a vacuum. Besides controlling general monetary and fiscal policies, Government must establish the necessary framework for economic activity if our free and open economy is to keep its responsive and effective character.

The need for rules of the game concerning contracts, property rights, fraud, and fair methods of competition is obvious. In the course of time additional rules have become necessary as our economy and our society have become increasingly complex. It is necessary to prohibit the sale of harmful foods and drugs and to proscribe child labor, unsanitary working conditions, and discrimination in employment. But just as new rules have become necessary, old rules can become obsolete and hamper our efforts to realize the capability of the economy.

Since we depend on the private sector to produce the overwhelming proportion of our goods and services, the Government must insure that competition is vigorous and that markets are efficient. Vigorous competition is the main protection of consumer interests; in most areas of the economy it helps create efficient markets that respond quickly to the desires of consumers, and in which costs of production and distribution are kept low. A well working financial system and well-informed consumers are also necessary for efficient markets; the Government can and does play a vital role in these areas.

In a relatively few instances, competition alone may not be sufficient to protect consumers' interest, or it may not be a possibility. Economies of large-scale production may be so great as to leave room for only a few firms—too few for competition to be effective. Where property rights are poorly defined, competition may lead to the waste of valuable resources or to degradation of the environment. As a result, in these areas elaborate regulations concerning prices, outputs, and standards of service have been prescribed. In a few sectors of the economy—agriculture is one example—the ability of buyers and sellers to respond promptly to shifts in demand or supply may be so limited that prices fluctuate more widely than is good for either consumers or producers. In such situations, Government intervention in the markets may be desirable.

The Government also has a role as a participant in market activity. Some enterprises, essential to the national well-being or the national defense, have been confined to governmental operation. Traditionally, the Post Office has been a Government operation, even though it exists chiefly to provide a service for which a price is charged and attempts to cover its costs with its receipts. In other cases, such as the Tennessee Valley Authority, the commercial activity has been mainly incidental to the principal objective of the project, which was, in that case, unified resource development in a region especially hard hit during the Great Depression.

Whatever reason the Government has for engaging in market activity, it should follow certain rules to insure that the operation is efficient and its effects are equitable. Certain operations are, of course, deliberately subsidized to serve essential public objectives; in such cases, it is always good practice to identify the subsidy explicitly in the budget. Except in these cases, however, prices should reflect costs if resources are not to be wasted and users unintentionally subsidized at the expense of others. Rules are also needed to guide the managers of Government enterprises so that they take all costs into account, not simply those in their budgets.

The Government is involved, therefore, in economic activity for many different reasons. It must establish the "rules of the game" for private participants; it must facilitate competition and improve the efficiency of markets; it must impose detailed regulations where the market does not offer sufficient safeguards to consumers' interests because of inevitable monopolistic conditions; and it must establish rules for its own participation in market activity.

COSTS OF GOVERNMENT INTERVENTION

Generally, this Nation has preferred to limit the rules and regulations it imposes on individuals and on market operations, in order to encourage private initiative; and it leaves the burden of proof on any who assert a need for more governmental involvement. A business in the private sector, operating under normal competition, has a direct test of how well the business is doing its job—profits. All companies that are inefficient or put out products not desired by the public must face the consequences. A Government agency, a Government operation—or even Government rules—need not submit to such a direct test. Inefficient operations can limp along for years without being called to account. Some regulatory rules that persist protect obsolete or inefficient production. Import quotas, agricultural marketing agreements, and outdated regulations can encourage or preserve high-cost, badly located, or obsolete facilities with little interference and no direct test of their net value. Indeed, a major problem in Government's participation in our economic life is that we have developed no systematic procedure for eliminating obsolete rules, activities, and programs. In principle, and generally in practice, the competitive marketplace has an answer, and this is one of its crucial advantages. In a competitive market, if a private company uses productive resources inefficiently, market pressures force it to relinquish them. This is one of the reasons why we should rely as much as possible on the discipline of the market place to protect the public interest.

Government involvement is not always the best answer—even when private activities are producing undesirable side effects or markets are not completely efficient. Government regulations are themselves not costless. Certain provisions in building codes, for instance, were originally intended to protect consumers by specifying the materials that can be used. Now that some of the prohibited materials have been improved, these regulations can result in needlessly higher costs of construction.

The sections below discuss the role of the Government in providing the framework for efficient markets, the role of the Government when regulation is necessary, and the rules under which the Government should participate in the market.

IMPROVING THE EFFICIENCY OF MARKETS

Government has a major role in promoting the efficiency of markets. Where markets are efficient, prices and output respond swiftly to shifts in consumer demand. Efficient markets result in reasonable uniformity in the prices charged by sellers or offered by buyers. Markets that work well also have low transaction costs; that is, buyers and sellers can conduct transactions swiftly and cheaply.

For efficient markets, it is necessary to have clearly defined and appropriately specified property rights, enforceable contracts, competition, informed consumers, and a well working monetary system. Where no one owns scarce resources such as fish in the ocean, oil under the ground, or radio frequencies, Government regulations are necessary to prevent wasteful exploitation. Some of the problems that result from such common property resources are treated below in the discussion of regulation.

A similar problem, on which attention is now focusing, is the inadequate demarcation of public and private property rights in the atmosphere and in bodies of water. At present most private citizens have little or no legal recourse against others who cause pollution. Since private property rights are rarely established for air or water, the Government must find alternative ways of protecting the environment. These are discussed later in this chapter.

PROMOTION OF COMPETITION

A major role of the Government in providing for efficient markets is to promote competition. The nature and extent of competition have been continually changing as our economy has grown. Some changes have made markets more competitive, others have made them less so. The most notable change has been the increase in size of markets because of advances in transportation and communications, the growth of the population, and its concentration in metropolitan areas. Most firms now compete over a much wider area and for a much larger sales volume. Consumers find that many more sellers are seeking their favor. This growth in size of the market leads toward larger (but not necessarily fewer) firms that are better able to take advantage of a large market.

As educational levels have risen, buyers have also become better informed and more sophisticated. On the other hand, products have become more complex and more difficult to evaluate. Incomes of most consumers have risen and these increases have made them better able to choose different combinations of products. In every market segment new products and services are competing vigorously for the consumer's dollar.

The vigor of competition often depends on the number and size of rival companies offering similar products or services. Although no data exist for the economy as a whole, data on manufacturing do not support claims that competition in general is diminishing. Concentration within manufacturing industries has changed little since World War II and may have declined since 1900. The average share of the market for the largest four firms among the same 213 manufacturing industries was between 41 and 42 percent in both 1947 and 1966. On average, rough estimates indicate that the concentrated portion of manufacturing has probably not increased and may even have decreased since the turn of the century.

Partly as a result of merger and partly as a result of internal growth, however, there has been a steady increase in the proportion of total manufacturing assets controlled by the largest firms in manufacturing. In 1929, 46 percent of the total assets of all manufacturing firms belonged to the 200 largest corporations; in 1968, the comparable figure was 60 percent. Thus in manufacturing the concentration of ownership of assets by corporations has increased dramatically, while concentration in the share of markets has not gone up. These conflicting trends apparently result from an increase in conglomerate activity.

Antitrust

Competition is not always self-sustaining. Collusion on prices, output, or market share can usually increase profits. Mergers between major competitors will eliminate their rivalry and may reduce competition. Consequently, the antitrust laws have long been accepted as necessary to market efficiency. This Administration has continued vigorous enforcement. During 1969, 44 cases were brought, of which 20 involved alleged violations of Section 1 of the Sherman Act (conspiring to restrain trade). There have been five conglomerate merger cases, some of which involve vertical relationships between buyers and sellers in some product lines. There were 15 cases involving mergers between firms in the same line of business.

The Justice Department is actively pursuing a course designed to apply the antitrust laws to the changing and expanding economy. For example, in both the legislative and judicial branches, a broader concept of interstate commerce has been recognized. In consequence, the Justice Department is considering whether the antitrust laws apply to transactions, including those in the service industries, heretofore regarded as intrastate. Indeed, the Department has recently brought suit to enjoin a county association of real estate brokers from conspiring to fix minimum commission rates.

Remedies and Sanctions. Enforcement in itself may not be enough, however, if the remedies or sanctions are inadequate. Generally, the remedies now available to the Department of Justice in civil cases are felt to be adequate. But some have criticized the Expediting Act, governing appeals in Government civil antitrust cases, because it provides no right of appeal from the grant or denial of a preliminary injunction. This shortcoming in the law would be corrected under an Administration bill to revise this Act.

Inflation and the growth in size of companies have lessened the force of maximum fines for criminal violations of the antitrust laws. Because a corporation can be fined no more than $50,000 for each criminal violation, regardless of the seriousness of the crime or its cost to the economy, the corporate fine is often ineffectual. Accordingly, the major deterrent to price fixing and other criminal antitrust action has been the threat of treble damage suits and the possibility of jail sentences for company executives. The Administration has accordingly requested Congress to raise the maximum fines for corporations to $500,000.

Mergers. A horizontal merger between major firms in an industry can be at least as effective in eliminating price competition as any agreement between the firms. Mergers, even between competitors, are not *per se* violations of the law, however, and they may even favor healthy competition. The ready marketability of a firm may encourage others to become entrepreneurs and establish new enterprises. Mergers may also be an efficient way of replacing incompetent managements. They may lead to greater economies of scale in production and marketing. And they may make it easier to transfer resources to the industries or enterprises that can most effectively employ them. In addition, access to capital markets may be facilitated. Nonetheless, the law prohibits mergers whose effect ". . . may be substantially to lessen competition, or to tend to create a monopoly." An accomplished effect deleterious to competition need not be proved; it is sufficient if there is a reasonable likelihood that such an effect will follow.

Problems may arise when a merger involves two firms in the same line of business that until then had not competed in the same market. A recent case of this kind involved the merger between Standard Oil of Ohio (Sohio) and a subsidiary of the British Petroleum Company, Ltd. (BP), operating in the States along the Atlantic seaboard. The Justice Department has established guidelines for such market extension mergers: A proceeding will be brought when a company that is one of a few most likely entrants into a concentrated market joins in a merger with a leading firm in that market. In this case, because BP was a likely entrant and Sohio had by far the largest market share in Ohio, the Department of Justice brought suit. A consent decree has been entered requiring that some of Sohio's stations be divested (sold or exchanged) to other firms, so that they will supply additional competition. Sohio-BP will now not only operate in the Ohio market but extend its operations elsewhere. The general effect on competition in the gasoline retailing market should be beneficial.

Conglomerate mergers are growing in importance. Over two-thirds of the mergers between 1926 and 1930 were between competitors (horizontal), 8 percent represented market extensions, 5 percent were between a buyer and the seller (vertical), and only 19 percent were between unrelated firms (conglomerate). In the 1966–68 period the proportion of horizontal mergers fell to 8 percent, the drop being at least partly due to antitrust action, while conglomerate mergers rose to 82 percent of all combinations. These mergers are more difficult to evaluate. They do not increase the market share of either part of the joint firm. Their effect may be to stimulate competition, but because of its very size, diversity, and financial strength, the combination may operate to lessen competition.

Conglomerate firms can use the profits in one market to subsidize price wars or promotional expenditures in other markets and so eventually reduce competition. Conglomerates may also be in a position to require suppliers to purchase some goods from other divisions of the conglomerate. This practice of reciprocity may exclude competitors from a part of the market.

The Department of Justice has announced that it intends generally to adhere to its 1968 guidelines, but that it probably will oppose any merger among the top 200 manufacturing firms or firms of comparable size in other industries, or any merger by one of the top 200 manufacturing firms with any leading producer in any concentrated industry. This program is based upon recent decisions of the Supreme Court condemning mergers that eliminate significant potential competition, entrench leading firms in concentrated markets, substantially increase the power of large firms to engage in reciprocity, or further a trend of mergers that would lessen competition. The staff of the Federal Trade Commission has recently issued a report on conglomerate mergers. The Commission is planning to continue its study and to coordinate it with a projected Administration study of economic concentration, including conglomerate mergers.

Resale Price Maintenance

The Miller-Tydings Act and the McGuire Act, under which resale price maintenance arrangements established under State law are exempted from the Sherman Act, reflect a major exception to the antitrust laws and to the policy of promoting competition. The State laws in question permit a manufacturer to contract with a retailer not to sell his product or products for less than a specified amount. In a State with a "nonsigner" clause in its statute, no retailer is permitted to undercut this price. While the "nonsigner" clause has been found to violate State constitutions in 18 States, 20 States with over half the population still have effective resale price maintenance statutes.

A major objective of permitting resale price maintenance is to protect and encourage small business by eliminating price competition between retailers of the same branded product. Resale price maintenance reflects the dilemma of whether to protect competitors or competition. Generally under resale price maintenance, manufacturers establish generous margins for retailers as an inducement to promote their product. But other manufacturers can quickly counter with similar margins, and they do. Retailers often profit temporarily from these higher gross margins, but competition usually eliminates the gain by encouraging additional outlets to carry the product, with the result that sales per store decline. For example, a Justice Department study found that for eight lines of retailing in States with strong provisions for resale price maintenance, the sales per store in metropolitan areas were 12 to 34 percent less than in States without any such law. Thus manufacturers receive at best only a temporary edge from resale price maintenance. Retailers' gains are also eroded over time, but consumers normally will continue to pay higher prices.

ADEQUATE INFORMATION FOR CONSUMERS

For retail markets to be efficient in providing buyers with the goods wanted, consumers must have adequate information. Ill-informed consumers can be defrauded, or they can be misled even when there is no intent to defraud in the legal sense. Unless he has a technical background and enough time to evaluate a product fully, the most careful buyer often finds it difficult to decide what he should purchase. He can perhaps reduce his risk by keeping strictly to well-known brands and reputable retailers, but this may cost him the chance to profit by satisfactory low-cost alternatives. Moreover, on a wide scale this practice could entrench existing manufacturers and create new barriers against entry into the market.

Often the most effective way to help buyers become well informed is to require proper labeling. The Truth in Lending Act and the Fair Packaging and Labeling Act are intended to help the consumer make "value comparisons." In certain instances, however, labeling is impractical, and the Government may need to prescribe standards for certain products. Moreover, with automobiles and some other products, an unsafe feature poses a danger not only to the owner but also to others. The Government has therefore established Federal safety standards for new vehicles, and many States require periodic safety inspections. Since January 1st, a prospective new car buyer must be told the stopping distance, acceleration, and the tire reserve load of a vehicle.

Considerations of safety may require the Government to ban the sale of certain products altogether rather than rely on the consumer's ability to protect himself even when provided with adequate information. For example, where complex products like drugs are involved the necessary information may be unintelligible to the layman, and it is simplest and safest to prohibit their sale unless they are prescribed by physicians.

Increasing public concern about standards for the safety and quality of products has led to proposals that the Government widen its influence in the marketplace. Particularly where products represent a potential hazard, there is obviously a strong case for having the Government set and enforce standards for producers. Nevertheless, we need to evaluate carefully the advantages and disadvantages to the consumer when considering such proposals. Despite their beneficial intent, their adoption could in some cases have the undesirable effect of lessening competition among producers—and thus breaching one of the consumer's most effective defenses. The consumer's interest may not be served if so much reliability is required that it adds heavily to the cost. Another possible disadvantage in these restrictions is their effect on the development of new products. Producers may be uncertain about how well potential new products or services can meet published standards requiring reliable performance and freedom from other defects. Such uncertainty, together with the threat of costly damage suits, confiscation of goods, or time-consuming delays in satisfying a multitude of Federal requirements, may inhibit the development of new products and the entry of new firms into the market to compete with established companies. We must also consider whether safety is better served by educating consumers in the proper use of a product rather than making the product completely safe against even remote contingencies.

The Consumer and the Market

To defend the public from misinformation offered by sellers, the Administration has proposed a Consumer Protection Act. This act would specify and prohibit many unfair and deceptive practices, such as "bait and switch" advertising (where the victim is attracted by a low-cost line and then switched to a more expensive product), passing off used goods as new, and misrepresenting price reductions. Responsibility for enforcing these prohibitions would lie in a new Consumer Protection Division to be established in the Department of Justice. The Federal Trade Commission would also have powers to enforce these prohibitions. As soon as a violation was determined in a proceeding by either agency, consumers could bring suits individually or on behalf of a group of consumers for damages in the Federal courts. This procedure would give consumers effective relief in proven cases of deception or fraud; at the same time it would protect firms against nuisance suits.

Because information provided by the private market must be reliable, a Consumer Product Testing Bill has been recommended to Congress. Under the provisions of this bill, the Office of Consumer Affairs, to be established in the Executive Office of the President, would review the adequacy of current methods now used to test consumer products. One purpose of the bill is to upgrade the tests used by private laboratories when necessary. If test standards were lacking or deficient, the Government could ask industry to establish proper ones. If industry were unable to establish acceptable standards by itself, the Government could then identify the standards it believes should be followed. Firms meeting approved standards would be entitled to say so in their product promotion activities.

The Consumer and the Government

In the past, the interests of labor, capital, and management have been well considered in Government deliberations. Consumers are less organized, however, and they have not always been adequately represented. To help remedy this defect, the Administration has proposed, as noted above, an Office of Consumer Affairs and a Consumer Protection Division in the Department of Justice.

The Office of Consumer Affairs would have broad powers to coordinate and improve present programs relating to consumers. It would see that the interests of consumers receive consideration at appropriate levels of the Federal Government. Among other powers it could conduct research, hold conferences on consumer problems, and develop a program for the release and publication on a generic basis of product information derived from the Federal Government's purchasing expertise. This office may also publish a *Consumer Register* which would translate the legal terminology of the *Federal Register* into layman's language so that interested consumers would be properly informed of Federal regulatory proposals and rules.

The Consumer Protection Division would have broad powers of advocacy and enforcement. It would be authorized to intervene in any proceedings by Federal agencies which affect consumer interests, as the Antitrust Division now does in proceedings which affect competition. It would thus offer a counterweight in formal hearings to the briefs filed on behalf of producers.

PROTECTION OF THE ENVIRONMENT

The existing rules of the game governing the economic system were not primarily designed to deal with our common responsibility for the environment in which we live. As public concern for the environment increases, the demand for appropriate rules, and for Government action if these rules fail, becomes more pressing. The environment is threatened when the wastes originating in a factory, home, or automobile find their way to the outside world, or when outsiders are bothered by noise, odors, or unsightliness. The following discussion will be confined to pollution caused by wastes, though some of the remarks also apply to other forms.

The problems created by wastes can be handled by five general approaches. They can be left to nature; the public sector can dispose of wastes at general expense; standards can be imposed to prevent or reduce pollution; the costs of reducing pollution can be shared by the Government and the polluter; or incentives to control pollution can be developed by levying special charges on emissions. Each of these approaches, which can be used in combination, has its advantages and disadvantages.

As long as pollution is insignificant it is possible to ignore wastes and their consequences. This traditional approach depends primarily on the ability of the environment to clean itself or to absorb wastes without unduly harmful effects. But the quantity of wastes has now become so great that pollution is affecting peoples' lives noticeably. Air pollution, for example, is not only unpleasant but has a measurable impact on death and morbidity rates. Water pollution has prevented millions from utilizing rivers, lakes, and ocean fronts for recreational activity and has interfered with farming and commercial fishing. In addition, water pollution and the residues of fertilizers and pesticides are held responsible for undesirable changes in the ecology.

Consequently, the Government has found it necessary to develop programs to deal with pollution. Water pollution has normally been handled by treating wastes before releasing them to the environment. The public costs of treatment have traditionally been borne most heavily by local authorities, although recently the Federal and State shares have increased. Most treatment of industrial wastes is performed by industrial firms through their own treatment plants, but some firms release their effluents untreated or rely on municipal systems. In the latter case it is important to charge for treatment; if the direct costs of dealing with pollution are charged to the general taxpayer rather than to the polluter, there is no incentive to reduce pollution.

The backbone of pollution abatement programs for both water and air pollution utilizes the regulatory approach. Under the Air Quality Act of 1967, air quality standards for stationary sources of emissions are being established for control regions throughout the Nation. Subject to the approval of the Department of Health, Education, and Welfare, standards are established by the States and an implementation program is drawn up. A special regulatory scheme, enacted to cover motor vehicles, requires that new cars can be sold in the United States only if emissions comply with standards specified by HEW. Under the Water Quality Act of 1965, water quality standards are being set for all parts of interstate and coastal waters, under a similar Federal-State partnership. For example, each section of a river is designated for a particular use, such as water supply, swimming, fish production, etc., and the standards are set to achieve that quality. All States have developed water quality standards and enforcement procedures which have been approved, at least in part, by the Secretary of the Interior. The cost of complying with these standards normally falls on the polluter and in some cases on municipalities aided by Federal and State grants.

A related and supplemental method of pollution abatement would be to provide some form of cost sharing payment for individuals or firms to reduce the pollution they cause. Such payments might conceivably take the form of tax concessions on the costs of pollution abatement methods. A stronger incentive is provided by taxes on effluents or treatment fees, which can lead firms to change their processes or install new equipment to reduce their effluents. The cost of pollution would then be charged to those who cause it, and as a result they may decide to reduce or eliminate their discharge of wastes.

In some water pollution cases, however, economies of scale may make it more economical for a public agency to deal with the wastes than it would be for the individual polluters. Who should provide abatement equipment, and how, depends both on the cost of treatment and on the costs to the environment of the pollution. In some cases regulation combined with tax incentives may be most efficient and equitable. In other cases effluent charges may be appropriate.

REGULATION

Regulation has been imposed for two purposes: to make the market perform more satisfactorily and as a substitute for competition. In the financial area it is particularly important that markets work well, not only for stabilization purposes but also to insure that product and labor markets are efficient.

GOVERNMENT AND THE FINANCIAL SYSTEM

Throughout our history the Government has been involved in regulation of the financial markets. Such regulation serves three broad purposes: (1) It provides for an appropriate money supply and efficient operation of the payments system; (2) it protects the public from loss due to financial failures, as well as from misrepresentation and fraud; and (3) it encourages and subsidizes the allocation of credit to particular sectors. Achievement of the first two objectives increases the efficiency of markets. The third is aimed at using regulation to accomplish other policy objectives.

A well-functioning payments system is vital to the economy, as the banking panics of 1933 and earlier periods forcefully remind us. The Constitution authorizes Congress "to coin Money [and] regulate the Value thereof," an authority that has been broadly construed. The United States has established a variety of regulations and agencies for controlling the creation of money and the operation of commercial banks and other depository institutions. For example, the Federal Government issues currency, charters banks, imposes reserve requirements, oversees foreign exchange operations, insures deposits, prohibits interest on checking accounts, and sets ceilings on the rates to be paid on time and savings deposits.

The stock market crash of 1929 and some financial malpractices that subsequently came to light created doubts about relying solely on the general laws of contract in financial markets. Since 1933, Congress has aided the investing public by enacting laws curbing unethical financial practices and by making pertinent information more accessible. The Securities and Exchange Commission was established to formulate and enforce requirements relating to operations of securities exchanges and the disclosure of information about publicly issued and traded stock (later extended to bonds). To protect public shareholders, Federal legislation also restricts and requires publication of the trading of stock by corporate "insiders." The Investment Advisers Act of 1940 and the Truth in Lending Act are examples of laws designed to improve the information upon which the public bases financial decisions.

Problems of Financial Regulation

While the ultimate objectives of Federal involvement in the financial sector are clear, the problems and costs do not always receive sufficient attention. The direct costs to the Government and the public of imposing restrictions on financial institutions may not seem large, but an important cost easily overlooked, because it is difficult to quantify, stems from the inflexibility of regulations once they are issued. Regulations devised for an earlier economic environment can stifle innovations and new developments in today's market. Examples are the restrictions on branch banking imposed by many States, which Federal law makes applicable also to national banks; the geographical and portfolio restrictions on savings and loan associations, which are particularly onerous when their potential market has been shifting to new areas; and restrictions on commercial banks that hamper them in meeting emerging demands for new services.

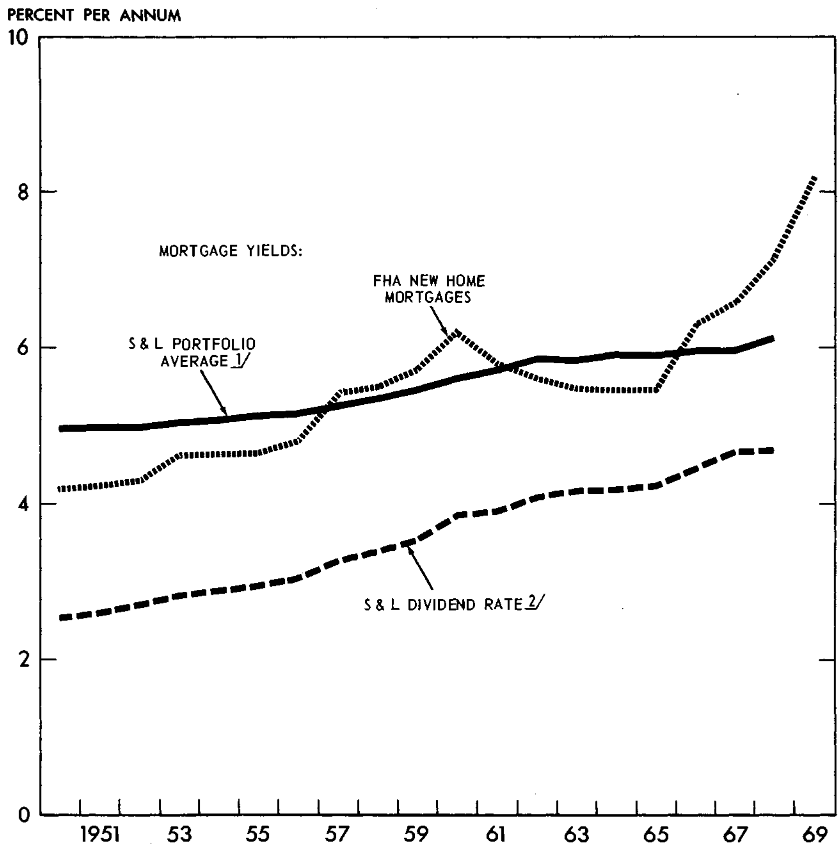
Sometimes regulations created to protect the public against malpractices are extended and used to restrict new entry into a market. Regulations also often prescribe or support minimum or maximum prices. The Investment Company Act of 1940 in effect establishes a resale price maintenance law for mutual funds that prevents retail dealers of mutual funds from charging lower commissions. Minimum brokerage fees set by major stock exchanges are currently under review. Many financial regulations distort credit flows by imposing interest-rate ceilings on mortgages and deposits. The problem is to make certain that "fairness" in setting rates does not put an umbrella over inefficiency, and that "soundness" in financial institutions does not become a pretext for impeding competition and innovation.

Deposit-Rate Ceilings as a Case History. An example of the problems created by the inflexibility of regulation can be found in recent developments arising from interest-rate ceilings on time and savings deposits at commercial banks and other financial institutions. Authorized by the Banking Acts of 1933 and 1935, these ceilings were intended to prevent banks from paying more interest on deposits than "sound" banking would warrant. The fear was that banks might otherwise make high-rate but risky loans (to cover excessive interest rates on their deposits) and would thus become vulnerable to default whenever business activity weakened. There was also concern that, in a system composed of thousands of banks, competition for funds on a rate basis might draw funds away from many individual institutions and seriously weaken them. In reality, the ceilings made very little difference until the mid-1950's, because interest rates on all assets remained very low and the deposit rates actuallv paid remained below the ceilings.

In later years, these ceilings on deposit rates at commercial banks have come to serve quite different purposes than those originallv contemplated. In particular, thev are viewed as a device to ensure a larger flow of funds into home building, because thev help protect savings and loan associations, a mainstay of home financing. These associations, specializing in mortgages, have attracted deposits by paving a slightlv higher return than commercial banks, which are prevented by the ceilings from offering competitive rates. Because of the slow turnover of the long-term mortgage holdings of savings and loan associations, however, these institutions were not in a position, as interest rates rose rapidly in the past several years, to increase the rates paid to depositors sufficiently to prevent large withdrawals. Chart 11 illustrates how the yield on new mortgages, which reflects what homebuyers are willing to pay, climbed in recent years above the average return on association portfolios, a figure which, after allowing for costs, represents what these institutions could afford to pay to attract deposits and still show a positive net income. Because of these competitive pressures, rate ceilings were extended in 1966 to cover savings and loan associations.

Chart 11

Mortgage Yields and Dividend Rate of Federal Savings and Loan Associations



1/ TOTAL INTEREST RECEIVED AS PERCENT OF AVERAGE MORTGAGE LOANS HELD.
2/ TOTAL DIVIDENDS PAID AS PERCENT OF AVERAGE SAVINGS CAPITAL.
SOURCES: FEDERAL HOUSING ADMINISTRATION AND FEDERAL HOME LOAN BANK BOARD.

During 1969, a consequence of rate ceilings has been a net reduction in the inflow of savings to depository institutions as a group. Many of their depositors have withdrawn funds in order to invest directly in market securities, which have recently paid much higher interest rates. Rate ceilings have also discriminated against small savers who cannot so easily switch to securities and must be content with lower rates.

Since mid-1969, deposits of savings and loan associations have practically stopped growing, despite the lack of competition from commercial banks, and the consequence has been a decline in mortgage financing. The savings and loan associations must now depend heavily on loans from the Federal Home Loan Bank System. Indeed, only a massive dose of support by federally sponsored agencies has been able to prevent an even larger decline in mortgage financing and housing starts.

Direct regulation of interest rate ceilings on deposits, together with portfolio restrictions, has contributed to these problems, because it has encouraged some developments and delayed others in such a way that an important part of the financial system is now ill-adapted to a world of changing interest rates. These ceilings have not provided a satisfactory answer to the financial needs of housing, while they have prevented the free and efficient movement of funds through financial markets. Mortgage financing and the role of interest ceilings need reexamination. Savings and loan associations need greater flexibility to adapt to market developments, and new sources of funds for the mortgage market need to be devised. Given the consequences of four decades of deposit-rate ceilings, they cannot be suddenly removed without serious financial disruptions. Some basic reforms in financial regulations are, however, needed.

Presidential Commission on Financial Structure and Regulation

Our expanding and increasingly complex economy must have financial institutions reflecting the vitality that comes from vigorous innovation and competition. Financial services required by tomorrow's economy will differ in as yet undefinable ways from those appropriate today. The demands on our flow of national savings, as indicated in Chapter 3, will be heavy in the years ahead, and our financial institutions and financial structure must have the flexibility that will permit a sensitive response to changing demands. Thus the time has come for a thorough examination of needed changes in our financial institutions and our regulatory structure. This study will be carried out by a commission to be appointed by the President early this year.

GOVERNMENT REGULATION OF AGRICULTURE

Agriculture is another important sector of the economy where regulation has been used in an attempt to make market performance more satisfactory.

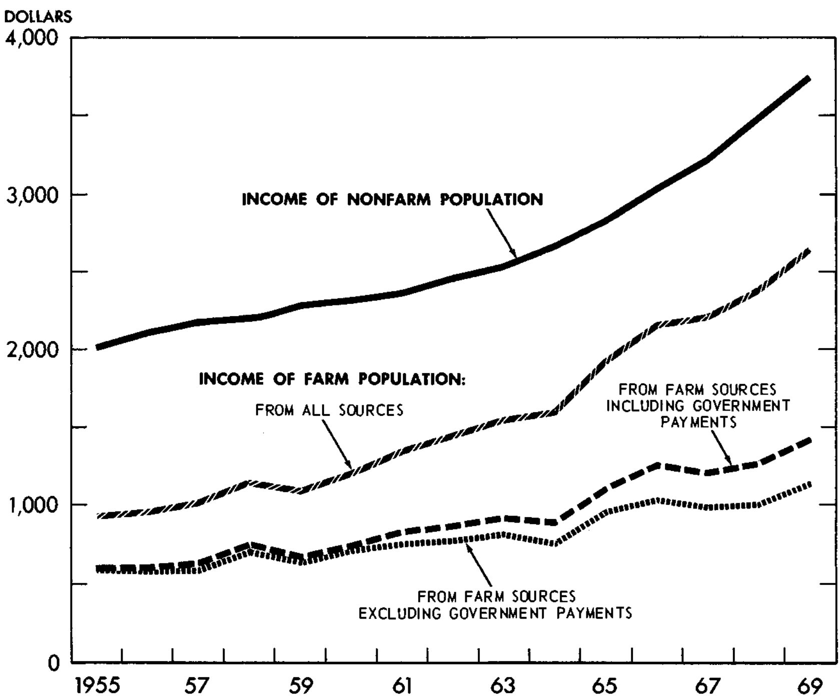
Many of the problems of agriculture are the result of a steady increase in agricultural output per farmer, which has made farmers a continually dwindling minority, and of insufficient mobility, which has kept their average income below that of most other occupational groups. As early as 1870, the number of farmers had dropped below the number of persons in other occupations. This trend has continued, and the proportion of the population gainfully employed in agriculture at the present time is only 5 percent. This is the usual transition in an advancing economy. Fewer and fewer people are required to produce the food and fiber for the rest of the population; or, stated another way, as the real income of consumers rises, an increasing proportion of income becomes available for other things than the basic necessities of life. Currently, about 16 percent of consumer income is spent on food.

Thus we get the familiar adjustment problem in the agricultural sector. Stimulated by the yield from public and private programs to develop and facilitate adoption of technological innovations, output grows more rapidly than consumer demand. Since the demand for farm products is relatively inelastic, increased supplies generally lead to markedly lower farm prices. As a result, farm incomes are depressed, and farmworkers and proprietors move to other occupations. But because there are impediments to this movement, per capita personal farm income does not catch up with the level in other sectors.

At the depth of the depression, per capita personal income of farm people was less than one-third that of the nonfarm population. In the middle fifties it was about 46 percent. Currently, the per capita personal income of farm people is about 70 percent of that of the rest of the population, but the narrowing of the income gap is due in large part to increasing Government payments to farmers, steady gains by farmers in adding to their income from nonfarm sources, and substantial declines in farm population (Chart 12).

Chart 12

Per Capita Personal Income of Farm and Nonfarm Population



SOURCES: DEPARTMENT OF AGRICULTURE, DEPARTMENT OF COMMERCE, AND COUNCIL OF ECONOMIC ADVISERS.

Government Intervention in Agricultural Markets

The depression of the 1930's led the Federal Government to intervene directly to support falling prices in agricultural markets with the objective of stabilizing farm income. Since that time, commodity programs that were originally adopted largely as emergency measures have varied only in emphasis from one decade to another. They have generally involved direct payments to farmers, production controls on output, price supports, and storage and marketing activities. All these programs have entailed substantial budgetary costs. Direct payments alone were about $3.75 billion in 1969, accounting for about 23 percent of realized net farm income.

Because most commodity programs have been related to output, their main benefits go to the larger commercial farms; for example, in 1968 the top 6 percent of the farms (those with sales of $40,000 or more) received nearly one-fifth of the Government payments and accounted for about one-third of the realized net farm income.

As another indirect form of regulation, Federal and State marketing orders and agreements are in effect for many perishable commodities such as milk, fresh fruit, and fresh vegetables. Milk marketing orders illustrate one method of market control. For each milk marketing order, minimum prices are established for the milk sold by dairy farmers. Using criteria provided by statute, the Secretary of Agriculture sets these prices; prices may be different for the same milk depending on its final use. Drinking or Class I milk carries a higher price than manufacturing or Class II milk. The average or "blend" price is paid to all farmers.

In an attempt to reinforce price discrimination between the two classes of milk, the Food and Agriculture Act of 1965 provided for so-called Class I Base Plans in Federal milk markets. These plans, which are instituted at the request of dairy farmers, can be used to restrict production to the level of Class I requirements in an individual market. Under this plan, each producer receives a high price on his "base" (his share in the Class I market), rather than a "blend" price on all production. Milk produced in excess of the established base is then priced at the lower Class II level, thus discouraging the production of milk for manufacturing. When access to the Class I market with its higher prices is sharply restricted, title to a base may be very advantageous. The value of these bases subsequently becomes capitalized into production costs for new producers, who purchase them. And consumers of Class I milk must continue to pay substantially higher prices.

A Market-Oriented Agriculture Policy

Farm policies on field crops should give greater emphasis to market forces and thus reduce direct governmental participation in the marketplace. Specifically, three goals should be sought. First, prices should become more flexible so that they approximate equilibrium between supply and demand when averaged over a period of years. With this flexibility farmers should be able to hold and even expand both domestic and foreign markets. Price supports should not interfere with normal commercial transactions, but should serve only as a price floor to prevent excessive fluctuations and to provide a basis for credit.

Second, production should not be controlled by limiting individual crop acreages; rather it should be guided by market prices. Because the Government cannot immediately withdraw the influence on production that it has exercised during its four decades of direct intervention, a gradual approach is needed by which greater freedom will be gained through restrictions on total land use only. Such a program would restore considerable freedom of choice to participating farmers, permitting each one to produce as much of any crop as he thinks will be most profitable up to the limits of his authorized cropland. Eventually, we may be able to discard even this control measure.

Third, direct income payments, properly applied, offer a more efficient way to support farm income than high price supports. The potential benefits of high prices are largely dissipated because they make additional purchases of inputs profitable. Direct income payments will be necessary for some time to compensate for inequities and to smooth the adjustment process. Reasonable limits on payments to individuals, however, would help prevent the undue enrichment of large operators at public expense.

REGULATION OF NONCOMPETITIVE MARKETS

In a few markets, competition does not flourish. In fact, in some instances one large firm can supply an entire market at lower cost than several smaller firms. When this is true, there tends to be a natural monopoly.

The American answer to these problems has generally been to substitute regulation by Government agencies for reliance on the market. Nationalization and Government operation have only been experimented with in a number of instances. This preference for regulation instead of nationalization has given rise to a variety of Federal and State agencies that set up and enforce restrictions on many economic activities. There are agencies covering transportation, communications, electric power, pipelines, and petroleum, to cite most of the important ones.

The American experience with regulation, despite notable achievements, has had its disappointing aspects. Regulation has too often resulted in protection of the *status quo*. Entry is often blocked, prices are kept from falling, and the industry becomes inflexible and insensitive to new techniques and opportunities for progress. Competition can sometimes develop outside the jurisdiction of a regulatory agency and make inroads on the regulated companies, threatening their profitability or even survival. In such cases, pressure is usually exerted to extend the regulatory umbrella to guard against this outside competition, so that the problems of regulation multiply and detract from the original purpose of preventing overpricing and unwanted side effects.

The fundamental problem lies in the complex and conflicting objectives that sometimes characterize economic regulation itself. Agencies are supposed to protect the present and future interests of consumers, employees, investors, and the Government. No one can begin to see the full consequences of current decisions on all these groups. As quasi-judicial bodies, the regulatory commissions tend to give much weight to precedent. As a result, change of any kind becomes hard to justify and even harder to allow when some affected group can claim immediate harm, whereas the potential beneficiaries are widely diffused and usually not represented. Yet innovation and adaptation are the dynamics of economic progress.

There is no clear safeguard against these dangers, but more reliance on economic incentives and market mechanisms in regulated industries would be a step forward. The record in transportation and communications, and other examples in this chapter, point to that lesson. Industries have been more progressive when the agencies have endeavored to confine regulation to a necessary minimum and have otherwise fostered competition. When regulation has stifled competition, performance has deteriorated. The clearest lesson of all, however, is that regulation should be narrowed or halted when it has outlived its original purpose.

Transportation

The Interstate Commerce Commission's efforts to eliminate price cutting among truckers, railroads, and bargelines is a classic example of the attempts to curb competition through regulation. The original justification for regulation—that railroads were monopolistic—has lost much of its validity since there is now considerable competition from other modes of transportation, although the shippers of some bulk commodities are still heavily dependent on rail transportation. Yet the ICC must continue to operate under the mandate of past transportation acts. Greater reliance on the market would be beneficial to transportation, but, in view of long established practices, this would have to be approached gradually. Except for predatory pricing to drive competitors from a market, which is prohibited under antitrust law, many transportation rates could safely be allowed to find their own level through competition. A policy of permitting and encouraging competition of all kinds would, if general economic experience is any guide, make the industry more efficient as well as benefit the public.

ICC regulations also have the effect of restricting entry into markets, particularly in the trucking industry, where economies of scale are limited and costs of entry low. Lack of free entry protects the profits of existing carriers, but it hardly benefits the public. Here the regulatory process is arrayed against new entrants. Those who could suffer from competition make themselves known and actively plead their cause. Those who might enter if restrictions were relaxed are less clearly identifiable, and they have less interest in advocating the case for free entry.

The origin of regulation was somewhat different in the air transportation industry. The Civil Aeronautics Board (CAB) was given a mandate to foster competition consistent with orderly growth and the convenience and needs of the public. Public safety was to be an important dimension of convenience. As a result, the air transportation industry blends competition with a high degree of safety and convenience. Regulation has inevitably reduced price competition, however, and has tended to reduce new entry in air transportation. With the exception of two carriers serving Alaska, no new trunkline carriers have been certified since the CAB was established. The CAB has, however, encouraged limited competition by certifying competing carriers on some routes, and this limited competition has resulted in increased service to the public.

Communications

Common-carrier communications service, such as the telephone service, is a natural monopoly. In many parts of the world, the practice has been to nationalize this industry. Here we have chosen to provide detailed regulation of privately owned service. The results have been generally satisfactory, in terms of convenience to customers. Regulation should be carried out in such a manner that it does not prevent or limit competition in sectors that are not natural monopolies. Recently, after a series of Federal Communications Commission (FCC) and court decisions, new carriers of private wire and microwave systems have been permitted, with beneficial effects on rates and services.

Long-distance communications may be entering a new and more competitive era with the development of satellite communications systems. Economies of scale in the operation of satellites do not appear to be sufficient to bar competitive operations. Hence the Administration has recommended to the FCC that multiple domestic satellite systems be authorized and that restrictions on entry be applied only where they are necessary to prevent undue interference. It is the Administration's hope that increased competition will eventually make it possible to let market forces assume more of the role of detailed regulation.

Radio Spectrum

Property rights in radio frequencies do not exist, nor are markets allowed to determine the allocation of frequencies. The FCC currently allocates spectrum among the competing users and thus creates quasi-rights. Unfortunately, it is difficult for any regulatory body to determine the most beneficial uses of a scarce resource. While the FCC attempts to make sound allocative judgments, it is faced with continual requests for spectrum for many different uses. Without a market test it has no way of being sure that its allocative decisions are appropriate.

The absence of property rights to the radio frequencies also helps create congestion in the spectrum. No single user feels impelled to develop methods that will require less spectrum. Nor does he have an incentive to share his spectrum with others who may make more efficient use of the frequency.

Here too the market should probably have a stronger influence on the allocative process. As an illustration, it might be possible to experiment with a mechanism reflecting the economic value of the entire spectrum. Such an experiment might involve a system of fees varying with the estimated value of particular frequencies and subject to repeated adjustments.

GOVERNMENT PARTICIPATION IN THE MARKET

The Government participates in the market primarily as a buyer of goods and services. It also participates as a seller or provider of goods and services. Some of these are collective goods, such as national defense, that can only be provided by the Government. Others, such as education, can and are furnished by the private sector as well. A full treatment of the Government's participation in the marketplace is beyond the scope of this Report, but certain aspects are worth emphasizing.

When the Government is the only supplier, the public is not always adequately serviced. The Government makes many items available free or below cost, so that it becomes a monopoly supplier. Sometimes the Government has established a legal monopoly and prohibited competition. Unless there is a compelling reason to justify a Government monopoly, it should not be established; rather competition should be encouraged wherever possible.

In some instances goods or services are supplied below cost, when the Government could accomplish the same aim, yet encourage competition, by supplying buyers with funds earmarked for the purchase of the desired item in the market. The food stamp program is an example of this approach. In general the recipients will derive less benefit from such earmarked funds than from unrestricted grants in the same amount. The Administration's Family Assistance Program therefore envisages replacing food stamps by cash grants as rapidly as possible.

In the Government's role as a supplier of goods and services its charges should clearly reflect the incremental costs of its operations, including capital charges except where subsidization is a conscious objective. When charges are below such costs, a wasteful use of resources may result, since consumers are encouraged to use more of the product or service than they would if charges reflected costs more accurately. Subsidization is, of course, appropriate wherever such greater use is the explicit objective (and in this case there should be an explicit accounting for the subsidy).

Costs of Government enterprises are especially difficult to measure. In principle, the appropriate measure of cost to the Government is what the resources it consumes could have earned in the private sector. As the previous chapter pointed out, when any resources are used by the Government, it lessens by that much the resources available to the private sector. One alternative to Government use of resources would be to make more funds available for private investment. As a first approximation, the appropriate cost of a Government investment would be the expected earnings—pretax—on a similar private investment, and not the cost to the Government of borrowing funds.

If a Government enterprise is operated in a market framework, the discipline of the marketplace is likely to improve the results. When an enterprise faces active competition, it cannot afford to offer poor service. If it must raise capital in the private sector, it will naturally take account of the full cost to the economy of such investment. And when it operates without Government aid, it must cover its costs.

Thus, a practical way to improve the workings of Government enterprises, unless subsidizing is a major objective, is to move the operation as close to the private sector as possible. This Administration has initiated two important moves in this direction. It has recommended the establishment of a Government-owned postal corporation which would ultimately have to cover nearly all its costs. It has also recommended that the Atomic Energy Commission's uranium enriching plants be sold to private industry at an appropriate time and that in the interim the operation of the plants resemble private operation as nearly as is practical.

POSTAL SERVICE

The Post Office is essentially a commercial operation run as a Government agency, but modern management practices are difficult to introduce. Personnel costs, which account for about 80 percent of Post Office costs, are fixed by Congress. Net fixed assets per postal employee were only \$1,145 in 1967, while they were \$2,836 per employee in merchandising, \$7,170 in manufacturing, and \$25,053 in transportation. Partly as a consequence of these conditions postal productivity has been increasing since 1956 at a rate of about 0.2 percent per year compared with 3.4 percent for the private sector of the economy.

According to the Kappel Commission's review of the Post Office, working conditions in many post offices leave much to be desired. More than 60 percent of the regular postal employees finish their careers at the same level at which they started. Patronage and residence requirements for postmasters' appointments have held down career opportunities. Efforts to improve productivity are often frustrated. The system has been "run by the book," a 2,000-page *Postal Manual* intended to cover all contingencies.

Most postal rates are currently set by Congress. Under the current accounting system, it is impossible to ascertain the incremental cost of any service. For this reason little basis exists for confirming or denying the popular belief that first-class mail more than pays for itself while other mail is delivered at a loss.

The Kappel Commission pointed to the political nature of Post Office appointments as one of the most serious problems in the postal system. The President has asked that Congress no longer require Senate confirmation of appointments to postmasterships at first-, second-, and third-class offices. He has also requested legislation to bar political tests in the selection, appointment, and promotion of Department employees. Departing from a former practice, the President does not seek local political endorsement of prospective postmasters. All these steps are designed to strengthen the merit system and permit candidates to be chosen for their competence rather than their political activity.

An even more fundamental departure is the Administration's proposal for reform of the postal service through the creation of a Government-owned, self-supporting corporation to operate the postal system under a directive that costs must be covered with revenues after a transitional period, except for public service costs for which appropriations would be made. The corporation would have the power to borrow funds for capital investment, to negotiate wage rates with postal unions, and, subject to veto by Congress, to set postal rates. The Government-owned postal corporation would be allowed great flexibility in operating the postal system, especially in its personnel and capital expenditure programs.

The postal reform proposal would obligate the board of directors of the postal corporation to report to Congress within 2 years concerning modernization of the postal monopoly laws, which effectively prohibit a private firm from delivering first-class mail. A careful review of these laws might show that additional competition could prove beneficial to the using public.

URANIUM ENRICHMENT FACILITIES

In the current state of technology the most efficient method of providing nuclear power is the use of light water reactors which operate on enriched uranium. Three plants owned by the Atomic Energy Commission and operated under contract by private enterprise supply this uranium. Constructed at a cost of $2.4 billion, these plants are located in Oak Ridge, Tenn., Paducah, Ky., and Portsmouth, Ohio.

Originally the plants were built for the nuclear weapons program. Military needs for enriched uranium are expected to be small in future years, much below the capacity of these plants, but the growth of the nuclear power industry is expected to lead to capacity operations by the late 1970's.

In the chain of operations involving this form of energy—from mining uranium to generating nuclear power—the enriching plants are the last link to remain exclusively in Government hands. Since demand for enriched uranium is likely to come almost entirely from the commercial sector, the President has indicated that these plants should also be sold to private industry when conditions for disposal are advantageous.

Conditions for such sale are not advantageous at present. The plants are currently being operated at only about 40 percent of their existing capacity. Moreover, because of existing long-term contracts for power supplies, the plants will produce considerably more enriched uranium than can be sold at present, though it may be needed to meet future demands.

So long as the Government keeps the plants, it should encourage their efficient use in order to strengthen competition in the power field. The President has asked the AEC to establish a Directorate to run these plants in a manner that approaches more closely commercial enterprises, implying that they should earn commercial rates of return on the investment. The Directorate will use commercial accounting procedures and prepare annual financial statements equivalent to those of private corporations.

An important feature of this change is that nuclear generating plants will not enjoy a subsidy giving them an advantage in their competition with fossil fuels as sources of electric power. The proposed Directorate's operations, modeled after commercial operations, should provide a record of earnings that will facilitate subsequent sale to private industry and help to assure that the Government receives a fair price for the plants when they are sold.

THE GOVERNMENT AND HOUSING

All levels of government have been involved to an exceptionally high degree in the housing industry—in its financing, its technology, its labor supply and labor relations, and even in its supply of some basic materials. In addition, housing is the only major private industry for whose output a fairly specific goal has been stated by legislation. The Housing Act of 1949 declared a goal of "a decent home . . . for every American family," and the Act of 1968 said that this goal could be met by constructing or rehabilitating 26 million houses in the next decade, of which 6 million would be for low- and moderate-income families.

The enactment of this goal was not based on a calculation of the costs of achieving it and a decision to pay those costs whatever they might be. Until the costs and possible methods of achieving this goal are assessed more accurately it cannot be regarded as a firm basis for planning. Moreover, any goal set now would certainly have to be regarded as open to review and revision as time passes. Nevertheless, the kind of concern expressed by the 26 million housing goal, together with the prospect that rising family formation will greatly increase the demand for houses in the next decade, calls for a reexamination of the Federal role with respect to housing.

A distinction should be made between policy about housing for low-income people and housing for the rest of the population. An intention to subsidize housing for low-income people is clear. This may be explained on the same grounds as other contributions from the more affluent to the poor, although there are questions about whether in the long run subsidizing housing is an efficient way to make this transfer.

Federal policy toward the nonsubsidized part of housing is probably best understood as an effort to improve the operation of private markets. This is clearest with respect to finance. The cost of capital to finance housing has been affected by the real or apparent riskiness and illiquidity of mortgage instruments. Policies to reduce these costs, without subsidies from the Federal Government, include FHA insurance, the provision of insurance and a reserve lending source for savings and loan associations, and the establishment of the Federal National Mortgage Association (FNMA) to create a secondary market for mortgages. Further action along this line may be useful, especially to reduce the great instability of the residential construction industry, which in turn would contribute much to increasing productivity in the industry.

It is probably inevitable that housing construction should be particularly sensitive to variations in interest rates, given the heavy weight of interest charges in housing costs and the fact that much of the demand for housing can be postponed, at least for a time. However, this sensitivity has been greatly increased by a number of institutional arrangements of which interest rate ceilings have been among the most important. In the past, legal ceilings on the interest rates payable on FHA and VA mortgages have caused the supply of funds available through those programs to dry up whenever market interest rates rose much above the ceilings. The Secretary of Housing and Urban Development is authorized to vary the ceiling rate, and this flexibility can somewhat ease that particular problem. Usury ceilings in some States prevent the flow of funds into mortgages when market rates are high. In 1969, the supply of mortgage money in States with low usury ceilings appeared to be more limited than in other States. Stability in construction would be improved if these usury ceilings were eliminated. The fact is that these ceilings, instead of protecting people from having to pay exorbitant rates, often prevent their obtaining mortgage credit at all.

The housing industry is also less able to compete for funds when interest rates are rising because by custom it has depended heavily on specialized financial intermediaries, as noted elsewhere. The possibility of raising funds in the face of high interest rates might be improved if housing had recourse to more varied sources. Several steps have recently been taken to remedy this lack. The Federal National Mortgage Association and the Federal Home Loan Bank Board (FHLBB) have greatly expanded their borrowing on their own securities in the open capital market in order to supply funds to mortgage markets directly or through savings and loan associations. In 1969, regulations were promulgated for the issue of mortgage-backed securities of various kinds, guaranteed by the Government National Mortgage Association (GNMA). This action was intended to authorize a mortgage investment instrument that would be marketable and attractive to a wide range of investors not now interested in mortgages directly. Establishment of a facility providing a secondary market for conventional mortgages somewhat along the lines that FNMA now provides for FHA–VA mortgages is currently being considered.

The housing industry is unable to raise sufficient funds during a period of rising interest rates and inflation because of the nearly universal use of a long-term credit instrument with a fixed interest rate and amortization schedule. When future interest rates and rates of inflation are uncertain, both lenders and borrowers may be better satisfied with an instrument that provides some hedge against these uncertainties. One possibility would be a mortgage in which the interest rate varied with some prevailing market rate, adjustment to be made by lengthening or shortening the repayment schedule. Lending institutions may need greater flexibility to work out terms of mortgages that are accepable both to them and to their customers.

The Government's efforts to improve the flow of finance into housing has only recently begun to be matched by efforts to increase the supply and improve the utilization of real resources—notably labor. But the imperfections on this side of the industry have probably been as great as on the financial side. Entry into the construction workforce has been limited by prevailing practices. The large turnover of firms, the seasonality of the work, and the traditionally long apprenticeships contribute to the difficulty in securing an adequate supply of skilled workers. The fragmented structure of the industry and the instability of its operations have impeded the research and development that might lead to greater efficiency and lower cost.

In order to improve the utilization of construction manpower, the President issued an Executive Order on September 22, 1969, establishing a Construction Industry Collective Bargaining Commission. The Commission was established to assist in the settlement of labor disputes through voluntary procedures and to seek solutions to a wide range of manpower problems, including training and development of construction manpower, instability and seasonality of employment, and productivity and mobility of the construction labor force.

Significant expansion of training programs will be necessary to meet the large projected demand for skilled construction workers. Expansion of vocational education programs emphasizing construction skills can play an important supplementary role in increasing the supply of craftsmen with skills appropriate for entering construction work or for further training to attain full journeyman status. Federal officials will work with State and local authorities to encourage programs in construction skill training, and some Federal funds will be used to obtain direct expansion of these programs. Cooperative programs between the schools, unions, and contractors, in which credit toward apprenticeship requirements is granted for vocational education programs, is also a promising new direction which HEW is currently emphasizing.

The Administration has also made a major effort to expand participation of minority workers in training and employment in construction work, especially on Federal and federally assisted construction projects. The widespread shortage of skilled construction workers in the industry is indicated by the ability of unions to obtain very large wage settlements. To open a greater flow of minority workers into the industry in order to help relieve these skill shortages is a major objective of the Philadelphia Plan. The Plan requires contractors bidding on Federal construction projects to make good faith efforts through affirmative action to meet established hiring goals for minority employment. The Department of Housing and Urban Development has also been working to develop local coalitions that will help increase opportunities for members of minority groups to join craft unions and apprenticeship and other training programs.

Through its "Operation Breakthrough" program, the Department of Housing and Urban Development has solicited proposals for experimental projects to demonstrate the use of new production techniques, including improved building management and financial arrangements, as a basis for significant improvements in productivity and efficiency. Simultaneously, the Department has solicited prototype site proposals from State and local governments willing to cooperate in eliminating building code and zoning constraints and in combining markets for volume production. The goal is to develop techniques to meet opportunities for mass marketing through the use of volume production methods and the capital resources of large companies. The Department of Housing and Urban Development has received 236 proposals for the use of new systems in residential construction projects. About 20 of these will be underwritten, in part, by the Department.

An essential part of the "Breakthrough" program is to change zoning and building regulations that presently impede building of low- and moderate-cost residential units in and around many major cities. While some States are now enacting statutes capable of overruling local ordinances, the remaining political and social obstacles are great. There is also need for a breakthrough to reduce the administrative delays and unnecessary red-tape that are characteristic of many Federal housing programs and of many local housing authorities.

The Department has also taken the lead in the negotiation of a pilot labor-management agreement which will reduce obstacles hampering the introduction of new techniques. This nationwide agreement permits the factory production of modular homes, provides for locally negotiated wages and fringe benefits uniform for three building trades, allows for the crossing of craft jurisdictions, and incorporates effective dispute settlement machinery. In addition, provision is also made for training and employment opportunities for minority group members. It is felt by many observers that the agreement will provide a viable model to others similarly engaged in construction of housing units in an industrial context.

Improving the financing arrangements for housing, removing obstacles to the supply of labor, increasing investment in the training of construction labor where the payoffs justify the costs, and improving technology should all raise the rate of housing construction in the years ahead. Whether they will suffice to achieve a predetermined goal for the number of houses to be built in the decade remains to be seen. Much will depend upon concurrent developments in the economy, including the strength of business demands for capital, the degree to which the Federal Government is adding to or subtracting from the supply of capital by its surplus or deficit, and the success of the home building industry itself in offering innovative products at a reasonable cost.

CHAPTER 5

Freedom and Stability in the World Economy

INTERNATIONAL SPECIALIZATION AND EXCHANGE have made an important contribution to rising standards of living in the United States and abroad. By offering its own products in payment, a nation can acquire imports with less sacrifice of domestic resources than would be required to produce the same goods at home. Imports are the fruits of international trade, and exports are what must be given up to obtain them. The ability of a country to import depends primarily on how much of its production it can sell abroad. And this depends in turn on its domestic production costs, compared to those abroad, its access to foreign markets, and the exchange rates which translate the exporters' selling prices into the importers' currencies.

Of these determinants, domestic production costs are the result in part of general monetary and fiscal policy, discussed in Chapter 1, and in part of market performance, discussed in Chapter 4. Access to foreign markets is one of the subjects taken up in the first part of the present chapter, and exchange rates are considered in the last part. This chapter also deals with international capital movements and the Euro-dollar market, and with other recent developments in international finance.

THE EXPANSION OF TRADE

The case for free markets in international trade is much the same as it is in the domestic economy. Artificial barriers to trade, such as tariffs and quotas, usually act to reduce or eliminate exchange that would have benefited the trading parties. Similarly, by insulating domestic producers from foreign competition, trade restrictions reduce the incentives to increase innovation, efficiency, and specialization—dynamic forces that have made a major contribution to the economic growth of industrial nations. Restrictions on trade also limit the extent to which imports can compete with domestic products, and thus weaken an important restraint on domestic price increases.

In a dynamic world economy, changing conditions require continuous adjustments. These may inflict hardship on some and evoke resistance. But American industry is used to adapting to changing competitive pressures from both at home and abroad, and American labor has always been mobile, both among regions and among industries. Most of the necessary adjustments can be taken in stride, but some may prove more difficult. By providing temporary adjustment assistance, the Government can help those who must adapt to changing patterns of world trade, and improve the capability of our market economy to take full advantage of the benefits of international trade and investment.

NONTARIFF BARRIERS

The rapid growth of international trade in the past decade attests to the progress made in reducing trade barriers. In 1969 total world trade approached a quarter of a trillion dollars, an increase of about 14 percent over that for 1968. During the decade of the 1960's the international trade of industrial nations increased at an average rate of almost 10 percent per year. As incomes rise and wants become more diverse, it is to be expected that opportunities for trade among these nations will grow rapidly, and this clearly has been happening. Progress towards freer trade, however, has been uneven. A serious problem is that the lowering of tariff walls has not been accompanied by similar progress in the lowering of nontariff barriers, which have increased in relative importance—and in some cases absolutely—as tariffs have declined. Recognizing the importance of attacking nontariff barriers in a systematic and coordinated manner, the countries adhering to the General Agreement on Tariffs and Trade (GATT) assigned high priority to this problem in the work program planned to follow the Kennedy Round. On industrial products, an analysis of existing nontariff barriers was completed during 1969, and it was agreed to begin early in 1970 to formulate means of dealing with various types of these restrictions. A similar project has been initiated in relation to agricultural trade.

Nontariff barriers range from formal and explicit quotas to unpublicized administrative procedures that have the effect of impeding or excluding imports. One clear-cut example is quota restrictions that are imposed during periods of an unfavorable balance of payments, but often continue after the difficulties have disappeared. (The GATT allows the use of quantitative restrictions to correct deficits in the balance of payments under certain circumstances, provided that such restrictions are progressively relaxed as the balance of payments improves.)

More commonly, however, nontariff import barriers have been imposed for a variety of other reasons. In some cases their explicit purpose is to protect domestic industry. In other cases, legitimate domestic measures may have a protective side effect; health and sanitary regulations primarily designed to protect the consumer, for example, may also make it more difficult for foreign competitors to gain access to the domestic market.

Government procurement policies are frequently designed to provide protection for domestic industries. Domestic procurement may be explicitly required, or a price preference may be allowed on bids by domestic concerns. In a number of countries the responsible administrative agencies are given wide latitude in accepting or rejecting bids by foreign producers. As a result, American corporations may run into a combination of high barriers and frustrating uncertainties about how the barriers are administered.

On the U.S. side, preferences are also granted to domestic suppliers but these are generally explicit and easily understood. Thus regulations issued under the Buy American Act grant a 6-percent preference, plus another 6 percent if the materials are produced by a small business or in an area with substantial labor surplus. A 50-percent preference in overseas procurement is applied for balance-of-payments reasons by the Department of Defense and most other Government agencies. The case for the 50-percent preference involves weighing balance-of-payments gains against budgetary costs.

Restrictions abroad on trade in agricultural products are arousing particular concern in the United States because we have a comparative advantage in many of these products. The farm programs of most developed countries include special measures to support the prices farmers receive and to give them protection beyond that provided by customs duties. Measures taken pursuant to the Common Agricultural Policy of the European Economic Community have an especially distorting effect on world agricultural trade because they insulate domestic producers from foreign competition in order to keep internal farm prices far above world prices. The surpluses in some commodities resulting from these high prices are sold abroad with the aid of large export subsidies. While the United States also supports the prices of most basic crops, these prices (with a few exceptions) do not greatly exceed the world market level. We also maintain import quotas, notably on sugar and dairy products, and have arranged for exporting countries to limit exports of beef to the United States.

THE TRADE BILL OF 1969

The trade bill submitted by the President to Congress in November continues the movement toward freer world trade, and it also explicitly recognizes the importance of insuring that U.S. producers have fair access to foreign markets. Specifically, the bill would restore Presidential power to make limited tariff reductions. It envisions the elimination of the American selling price (ASP) system (in which certain import duties are based on the domestic selling price of competing American products rather than on the normal basis of actual export price). It would broaden the present authority to act against countries that treat U.S. products unfairly and would provide new authority to act against those countries that grant export subsidies which result in unfair competition against U.S. exports in third markets. At the same time, it would significantly improve the procedure by which business and workers injured by imports can receive Government assistance.

The tariff authority requested in the bill would make it possible for the President to approve occasional minor adjustments in tariffs that may be required—to compensate foreign countries, for example, if the United States applies an escape clause, or if a statutory change is made in tariff classification. It is not designed to be used for major tariff negotiations.

The American selling price system of customs valuation which applies to a few American products (primarily benzenoid chemicals) has taken on symbolic importance for our trading partners. In conjunction with the Kennedy Round of tariff reductions, an agreement was reached providing that if the United States removed ASP, others would make specified further reductions in foreign tariffs on chemicals as well as reductions in several important nontariff barriers, such as European road taxes which discriminate against larger automobiles. Legislation to eliminate ASP would achieve these already negotiated trade benefits, and would also be an important positive step toward multilateral reduction of nontariff barriers, a liberalization which would benefit the United States both as an exporter and as an importer.

Although the relaxation of tariffs and other barriers in international trade promises clear benefits to the national economy as a whole, it must be recognized that the effects on some industries and individuals may be adverse, at least in the short run. Because the gains from trade are widely distributed to the consuming public, the costs of major resulting adjustments should be borne in part by the economy as a whole, not just by those who must suffer the direct effect of liberalization. For the economy as a whole, increased imports need not create unemployment. This was demonstrated, for instance, during the inflationary expansion of 1968, when unemployment fell from 3.8 to 3.6 percent, in spite of the record increase of 23 percent in imports. Nevertheless, specific imports may cause disruption in directly competing industries. The Trade Expansion Act of 1962 provided for assistance to help those injured by tariff reductions adjust to the change, but in practice the criteria for assistance have been excessively stringent. The new bill would relax these criteria and make aid more readily available to those who require it.

In his trade message of November 18, the President stated that provisions concerning both the escape clause and adjustment assistance in the 1962 act were too tightly drawn and too technical to insure prompt and effective relief for those actually injured by imports. The President therefore recommended that the escape clause be made more flexible by providing a simple and clear statement of what should constitute injury under the law: Relief should be available whenever increased imports are the primary cause of actual or potential serious injury.

Under the present law, the injury must be related to a prior tariff reduction. In many cases, the tariff rates originally set in the Tariff Act of 1930 have been reduced in a series of trade agreements from 1934 to 1967, and it has become increasingly difficult to determine whether past tariff reductions are the cause of increased imports. Since the same problem arises in investigations of adjustment assistance, the President recommended a similar change in the criteria applicable to petitions for adjustment assistance filed by firms or groups of workers. The President observed that improving the provisions for relief from import injury should lessen the pressure for legislation to restrict imports and should thus aid in the continuing U.S. attack on trade restrictions of other countries, which currently impede the access of U.S. exports to foreign markets.

THE DEVELOPING COUNTRIES IN THE WORLD ECONOMY

Greater access to markets is especially important to the developing countries. Although aid from abroad is vital to most of their plans for achieving greater prosperity, the most important condition for success is their ability to make better use of their own resources, both internally and externally. An effective strategy must be designed to further their participation in foreign trade and attract private investment from abroad.

The Flow of Resources

For more than two decades the United States has provided large amounts of financial aid to the less developed countries (LDC's). In recent years other industrialized countries have also begun to provide substantial amounts. In 1968, industrial countries contributed $6.4 billion in official development assistance (which excludes private investment and loans on commercial terms). Although the flow of resources from the United States rose steadily up to the mid-1960's, it has leveled off in recent years. Private investment, on the other hand, has grown rapidly during the last 5 years. In 1968, U.S. private investment in less developed countries increased to $2 billion, more than double the 1963 rate. Total private investment in the LDC's by developed countries as a whole rose to $5.9 billion in 1968, also more than doubling the 1963 figure. To encourage a continuation of this trend the President signed the Foreign Assistance Act of 1969 providing for the establishment of the Overseas Private Investment Corporation, which would sell insurance and guarantees to U.S. private investors. The President has also endorsed the multilateral institutions—the World Bank and its affiliates and the regional banks—as channels through which development assistance can be provided on an equitable basis.

The Efficiency of Aid

Greater reliance on the market mechanism can contribute significantly to economic growth in the LDC's as well as in developed countries. It is especially appropriate that the United States, whose strong economy owes so much to the freedom of our market system, set an example by showing a willingness to let market forces operate. When this Administration came to office, foreign aid was subject to "additionality" and "tying" conditions which hampered its effectiveness. Tying requires that aid funds be used only to purchase U.S. goods and services; additionality further requires that aid funds not otherwise restricted be spent on U.S. products or services that do not substitute for commercial exports from the United States.

In June 1969 the Administration acted to end additionality requirements for aid. Later, the tying requirement in aid to Latin American nations was relaxed; they may now spend aid funds anywhere in Latin America as well as in the United States. The speed with which the United States can make further improvements in the efficiency of its aid is governed to a major extent by its balance of payments and by the aid policies of other countries.

Tariff Preferences

In the long run, the LDC's must look to a continued and vigorous expansion of export earnings as an important part of their economic progress. Aid can help them overcome their initial handicaps, but by itself it cannot constitute a lasting solution. Greater internal efforts are also required.

From 1960 to 1967, export earnings of the developed nations grew at a rate of 8.4 percent per year. Although rates for different countries differ widely, export earnings of LDC's as a whole rose at the rate of only 6.1 percent. At present, primary products account for almost 80 percent of the exports of LDC's and the rate at which exports of these products are growing is substantially below the rate of growth of world trade generally. Because of the limited potential for future expansion of trade in traditional exports, the ability of the LDC's to develop new exports, especially of manufactured products, will be increasingly important. This development is inhibited by tariffs and quotas imposed by developed countries, and by internal economic difficulties within the LDC's.

To assist in meeting the goals of the LDC's the 1968 United Nations Conference on Trade and Development (UNCTAD) recommended that the more prosperous nations offer preferential tariff rates on the exports of the LDC's. The Organization for Economic Cooperation and Development (OECD) has appointed a working group, consisting of representatives of the OECD members plus Australia and New Zealand, to formulate a plan for a system of generalized tariff preferences. The United States has submitted a proposal to this body. Some of the key provisions are:

(1) All duties on manufactured and semimanufactured products imported from less developed countries, except textiles, footwear, and petroleum and petroleum products, would be eliminated. A selected list of agricultural and fishery products that would also benefit from the preferences is provided.

(2) There would be no quantitative limits on the additional imports eligible for preferential treatment. Injury to domestic producers would be handled by standard escape clauses and adjustment assistance.

(3) The preferences would be temporary, scheduled to last no more than 10 years, and should not obstruct further general tariff reductions.

(4) All major developed countries would adopt a common plan.

(5) The United States would not grant preferences to any country that received an exclusive trade preference from any developed country for a product covered by the plan, nor would we grant preferences to LDC's that gave exclusive trade preferences to any developed country (reverse preferences).

Other participants in the OECD working group have also submitted proposals, some of which vary in important respects from the U.S. approach. The European Community's proposal, for example, calls for limits on the quantities of imports granted preferential treatment.

In November 1969, the OECD transmitted to the UNCTAD a report setting forth the positions taken by the prospective preference-granting countries. The United States will be engaged during the coming months in discussions in OECD and UNCTAD with the other developed countries and with the potential LDC beneficiaries with a view to reaching agreement on a mutually satisfactory arrangement.

Tariff preferences for the LDC's will mark a significant departure from the most-favored-nation principle on which the General Agreement on Tariffs and Trade has been built. This principle, which requires nondiscriminatory treatment of all imports regardless of origin, lies at the heart of free international trade, and departures should be avoided except for compelling reasons.

When one country gives another preferential access to its markets, an increase in trade between the two countries will normally result. This may represent new international trade, or it may come from substituting the exports of one country for those of others. In the first case, there will normally be an increase in efficiency. In the second case, where trade is diverted from the lower cost third countries, the result will generally be lower economic efficiency. Countries negotiating trade matters find it least painful to give one another the markets that were previously the province of third parties. The general GATT proscription of preferential arrangements was aimed to counteract the natural bias toward trade diversion when countries exchange selective preferences.

The departure from the most-favored-nation principle is justified by two considerations. The development of manufacturing industries is essential to the progress of the LDC's, and these industries will be stimulated by preferences. Second, a liberal system of general preferences replacing specialized regional preferences will create additional world trade and may reduce existing distortions in trade patterns.

THE U.S. TRADE BALANCE

The U.S. economy and developments in our own external payments have a profound influence on the stability and growth of the world trading and financial system. Our exports now account for 17 percent of total world trade, and the dollar has achieved high standing as an international currency. Growing economies abroad have provided expanding markets for our output. In turn the level of our material welfare has been raised by an increasingly diverse array of products from abroad.

During the 1960's, U.S. exports grew rapidly, at an average annual rate of over 7 percent. Imports grew even more rapidly, however, with the result that the trade surplus in merchandise shrank from a peak of $6.8 billion in 1964 to less than $1 billion during 1968.

The growth of U.S. exports has been fostered by high technology, exemplified in such manufactured items as computers, jet aircraft, and control instruments. Even the rapidly growing international demand for these products, however, has not been sufficient to prevent a decline in the U.S. share of total world exports. One reason is that growth in the traditional U.S. export markets has been below the average. And even within these markets, U.S. competitive shares of manufactured exports have declined.

During recent years export prices of some of our major competitors—such as Germany, Italy, and Japan—have performed better than those of the United States. It is not surprising, therefore, that from 1961 through 1968 U.S. bilateral trade balances with these three countries declined by more than $3.8 billion. In the same interval, the overall trade balances of these three countries improved by roughly $7.6 billion.

The U.S. trade balance with Canada has also shown a large decline in recent years, but the reason appears to lie in special conditions affecting U.S.-Canadian trade. Canada's trade balance with other countries deteriorated slightly during the 1960's.

There have been other important changes in the composition of U.S. trade during the decade. From 1960 through 1966, U.S. agricultural exports increased rapidly, but they have been at a standstill since 1967. The sharp rise in U.S. imports of finished manufactured goods other than foods, from $5.3 billion in 1960 to almost $17 billion in 1968, was also significant. The share of these products in total U.S. imports increased from 35 to over 50 percent in the period from 1960 through 1968. The increase was particularly strong in imports of consumer goods, especially luxury products.

A part of the recent surge in U.S. imports can be attributed to inflation in the domestic economy. During the years of relatively stable prices between 1955 and 1965, the value of merchandise imports as a percentage of GNP varied little, hovering around 3 percent, but by 1968 it had increased to almost 4 percent. In 1969 it edged slightly higher but remained just under 4 percent.

Because of the prolonged dock strike in the first quarter of 1969, it is difficult to interpret the currently available trade figures for last year. There are signs of improvement in the merchandise trade balance after midyear, and the deterioration of the trade balance typical of the past several years appears at least to have been arrested. As inflation is slowed in the United States, the trade balance should improve. It is not likely, however, that regaining internal stability will be enough by itself to restore promptly the large surplus in the trade balance of the early and middle 1960's. For one thing, the excessive domestic demand emerging toward the end of 1965 has become incorporated into higher costs and prices, and these tend to be inflexible downwards. Thus, the inflation of recent years will continue to have an adverse effect on our competitive position in the world economy. At the same time our technological superiority in many fields has been narrowed by the notable advances of countries like Japan and Germany.

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INTERNATIONAL CAPITAL MOBILITY AND THE BALANCE OF PAYMENTS

While the gradual narrowing of our trade balance has dominated the general trend of the U.S. balance of payments, short-term fluctuations have become increasingly dominated by capital movements. Capital flows are treated differently in the two most widely publicized measures of the balance of payments: the official settlements balance and the liquidity balance. Because short-term capital movements have been large, these two measures have recently yielded very different results. During the first half of 1969, the United States registered a record surplus measured on the official settlements basis, while the same period showed a record deficit in terms of the liquidity definition. For the full year, preliminary estimates indicate an official settlements surplus significantly larger than the $1.6 billion surplus of 1968. The liquidity balance was in surplus during the fourth quarter, although the deficit for the year was far larger in 1969 than in any previous year (Chart 13).

Two Measures of the Balance of Payments

The differences in the coverage and concept provided by these two measures must be kept in mind. The official settlements balance measures the change in our holdings of international reserve assets, less the change in liquid and certain nonliquid claims on the United States by foreign official institutions such as central banks or finance ministries. The liquidity balance measures the change in our holdings of international reserve assets, less the change in *liquid* liabilities to *all* foreigners, whether official or private.

Thus, sales to foreign official institutions of securities that exceed 1 year in original maturity (and are hence technically nonliquid) in replacement of short-term instruments do not affect the results according to the official settlements basis, but they do improve the liquidity measure. For 1968, for example, Table 15 shows that such special financial transactions shifted what would have been a liquidity deficit of $2.1 billion to a liquidity surplus of $0.2 billion. As these instruments are paid off with liquid claims on the United States, they correspondingly augment the liquidity deficit, leaving the official settlements basis unchanged. In the second and third quarters of 1969, for example, the reversal of previous special transactions added approximately $1 billion to the liquidity deficit.

Perhaps an even more fundamental difference between the two measures concerns the treatment of flows of foreign private short-term funds into the United States. To the extent that private foreigners obtain or withhold dollars from their central banks, these flows reduce the official settlements measure of the deficit (or increase the surplus). Under the liquidity definition, however, a net increase in liquid liabilities to foreigners (whether official or private) indicates an enlarged deficit. Thus if private foreigners

TABLE 15.—*U.S. balance of payments, 1960–69*

[Billions of dollars]

Type of transaction	1960–64 average	1965	1966	1967	1968	1969 first 3 quarters [1]
Merchandise trade balance	5.4	5.0	3.9	3.9	0.6	0.3
Exports	21.7	26.4	29.4	30.7	33.6	35.5
Imports	−16.2	−21.5	−25.5	−26.8	−33.0	−35.2
Balance on investment income	3.2	4.2	4.1	4.5	4.8	4.5
U.S. investments abroad	4.3	5.9	6.3	6.9	7.7	8.8
Foreign investments in the United States	−1.2	−1.7	−2.1	−2.4	−2.9	−4.3
Balance on other services	−2.7	−2.0	−2.8	−3.2	−2.9	−3.0
Exports [2]	5.3	7.1	7.7	8.6	9.3	9.9
Imports	−8.0	−9.1	−10.5	−11.8	−12.2	−12.9
BALANCE ON GOODS AND SERVICES [2]	5.9	7.1	5.3	5.2	2.5	1.9
Unilateral transfers, net; transfers to foreigners (−) [3]	−2.6	−2.8	−2.8	−3.0	−2.9	−2.8
BALANCE ON CURRENT ACCOUNT	3.3	4.4	2.4	2.2	−.3	−.9
Balance on direct private investments	−1.8	−3.4	−3.6	−2.9	−2.7	−3.4
U.S. direct investments abroad	−1.8	−3.5	−3.6	−3.2	−3.0	−4.1
Foreign direct investments in the United States	.1	.1	.1	.3	.3	.7
BALANCE ON CURRENT AND DIRECT INVESTMENT ACCOUNTS	1.6	1.0	−1.1	−.7	−3.1	−4.4
Transactions in U.S. private nondirect assets, net	−2.7	−.3	−.7	−2.5	−2.1	−2.1
Transactions in U.S. Government assets, excluding official reserve assets, net	−1.3	−1.6	−1.5	−2.4	−2.2	−2.3
Transactions in foreign nondirect nonliquid assets, net	.6	.2	2.4	3.1	8.2	2.3
Errors and omissions	−1.0	−.6	−.5	−1.0	−.6	−4.3
BALANCE ON LIQUIDITY BASIS	−2.8	−1.3	−1.4	−3.5	.2	−10.8
Less: Certain nonliquid liabilities to foreign official agencies	.2	.1	.8	1.3	2.3	−1.1
Plus: Foreign private liquid capital, net	.8	.1	2.4	1.5	3.8	11.6
BALANCE ON OFFICIAL RESERVE TRANSACTIONS BASIS	−2.2	−1.3	.3	−3.4	1.6	1.9
Addendum:						
Special financial transactions	(4)	−.1	1.6	1.0	2.3	−1.2
BALANCE ON LIQUIDITY BASIS EXCLUDING SPECIAL FINANCIAL TRANSACTIONS	(4)	−1.2	−2.9	−4.6	−2.1	−9.6

[1] Average of the first 3 quarters at seasonally adjusted annual rates.
[2] Excludes transfers under military grants.
[3] Excludes military grants of goods and services.
[4] Not available.

Note.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

gain more short-term claims on the United States than are lost by official foreign holders of dollars, the difference adds to our liquidity deficit. During 1969, the large short-term capital flow into the United States caused by the Euro-dollar borrowings of U.S. commercial banks has made the difference in treatment unusually important.

Euro-dollar deposits are liabilities of banks outside the United States (including foreign branches of U.S. banks) which are denominated in dollars rather than local currency. London is the center of the Euro-dollar market in which such funds are placed and borrowed. Large amounts of U.S. dollars are also on deposit in continental Europe, Canada, and Japan. The Euro-dollar market consists almost entirely of short-term funds, with few deposit maturities exceeding 180 days. (There is a counterpart long-term market for Euro-bonds, including substantial amounts of securities of U.S. corporations, offered in Europe but denominated in dollars.)

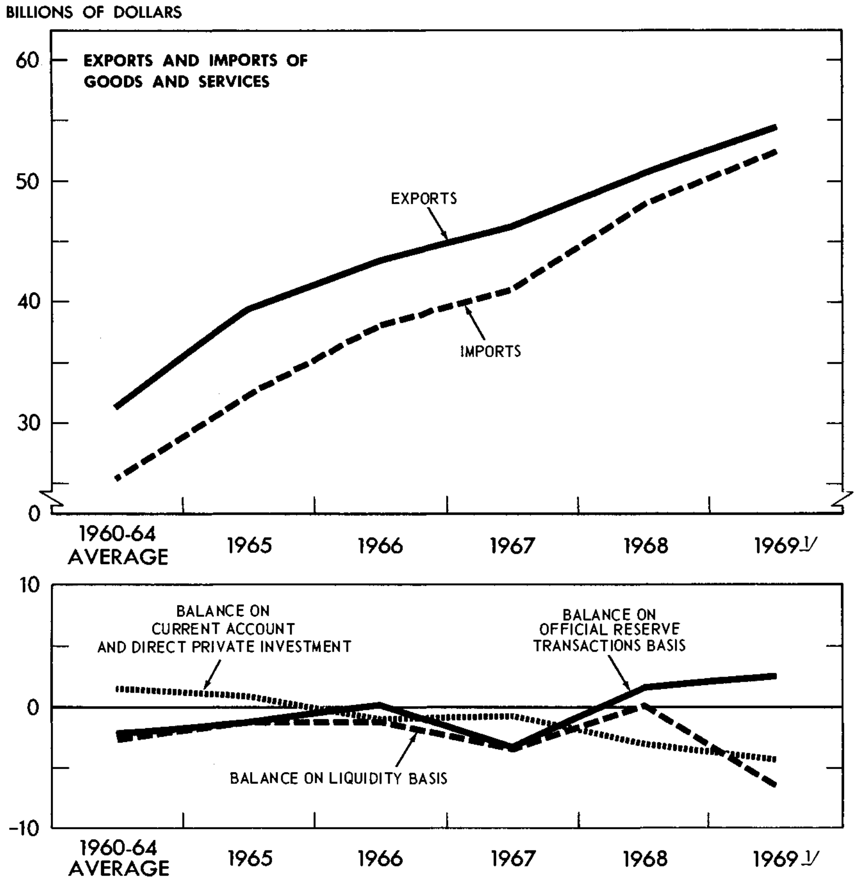
While exact measurement of the size of the Euro-dollar market is not possible, estimates published by the Bank for International Settlements indicate that the market may have been roughly three times as large in 1968 as it was in 1964, growing from $9 billion to $25 billion, with further growth during 1969. One can gain some idea of the increasing importance of this market as a source of foreign borrowing for U.S. banks by looking at the liabilities of U.S. banks to their foreign branches. These grew from approximately $1 billion in 1964 to more than $14 billion by the summer of 1969, after which they remained relatively constant. The branches themselves had Euro-dollar liabilities amounting to $23.2 billion on September 30, 1969. Euro-dollar deposits are also held in foreign-owned banks abroad.

The Euro-dollar market has become a major link among national short-term money markets. Its growth owes much to the impetus generated by various restrictions on competitive practices in national money markets. The part that domestic banking regulations play in stimulating the growth of the Euro-dollar market is well illustrated by the effects of the Federal Reserve's Regulation Q, fixing the maximum interest rates which member banks can pay on most types of time deposits. During 1969, short-term interest rates moved well above the Regulation Q ceiling, impeding the access of American banks to domestic money markets. In their search for funds, U.S. banks turned to Euro-dollar borrowing through their foreign branches. This demand helped push Euro-dollar interest rates upward to more than 11 percent in June, and they stayed close to that level for the remainder of 1969 (Chart 4, page 36).

These high interest rates attracted funds from Europe's domestic money and capital markets. Participation in the Euro-dollar market required U.S. dollars, and the major part of these dollars ultimately came from European central banks, with the result that European countries did not gain official reserves on the scale they might otherwise have done, or even lost part of these reserves. Thus, such flows from European domestic money and capital markets into Euro-dollars contributed to the U.S. official settlements surplus. As private European funds were attracted to the Euro-dollar markets, interest rates in European money markets rose. In response to the pull exerted by the Euro-dollar market, several European countries have taken actions

Chart 13

U.S. Balance of International Payments



1/ BALANCES ON LIQUIDITY BASIS AND ON OFFICIAL RESERVE TRANSACTIONS BASIS ARE ESTIMATES FOR FULL YEAR. ALL OTHER DATA ARE FOR FIRST 3 QUARTERS AT SEASONALLY ADJUSTED ANNUAL RATES.
SOURCE: DEPARTMENT OF COMMERCE.

to restrict the outflow of funds from their domestic money and capital markets.

The surge in Euro-dollar interest rates, together with the Regulation Q ceiling on domestic deposit rates, also provided a strong incentive for U.S. depositors to place funds in the Euro-dollar market rather than directly with U.S. banks. As a result a circular flow of U.S. funds developed, in which dollars moved from the United States to the Euro-dollar market and back again through the foreign branches of U.S. banks. This flow involved both an increase in U.S. residents' claims on foreign institutions (which largely went unrecorded and therefore showed up as "errors and omissions" in the balance of payments) and an increase in liquid liabilities to foreign branches of U.S. banks. The result of the circular flow was an increase in the liquidity deficit.

On both counts, then, Euro-dollars contributed to a divergence between the official settlements and liquidity balances. When dollars were drawn out of foreign official reserves, they influenced the official settlements balance without affecting the liquidity balance. When dollars originating in the United States were routed through the Euro-dollar market, they increased the liquidity deficit without affecting the official settlements balance.

Long-Term Capital Movements and Investment Income

Long-term capital movements have also strongly influenced the U.S. balance of payments in recent years. In response to the limits imposed by the Direct Investment Program on net direct investment abroad with U.S. funds and to the high cost and reduced availability of domestic funds, U.S. corporations have been increasing their efforts to raise long-term funds abroad. At the same time, a substantial number of foreign investors have broadened their portfolios to include American common stocks. During the first three quarters of 1969, foreign purchases of U.S. corporate securities are estimated to have been $1.8 billion, or $0.5 billion more than net sales of foreign stocks and bonds to U.S. investors over the same period. Direct U.S. investment abroad also continued to be large during the first three quarters of 1969.

The heavy U.S. borrowing abroad in recent years brought to a halt the rapid growth of the U.S. net international investment position. Between the end of 1966 and the end of 1968 net assets remained virtually unchanged at $65 billion. The composition and growth of the U.S. international investment position are given in Table 16.

Earnings on U.S. investments abroad have continued to contribute to the U.S. balance of payments. During 1968, our rate of return on direct investments abroad reversed its previous decline and rose almost a full percentage point above the 11 percent of 1967. During the first three quarters of 1969, income from direct and other private U.S. investment abroad is estimated to have reached an annual rate of almost $8.0 billion, up about $1.0 billion from 1968.

On the other hand, interest payments on foreign investments in the United States have increased even more rapidly, reflecting heavy U.S. short-term borrowing from abroad during the first half of 1969. High interest rates also increased the cost of refinancing previous borrowings. In the third quarter, interest payments by U.S. commercial banks on their liabilities to foreign branches were running at an annual rate of approximately $1.5 billion, rising from less than a quarter of a billion dollars in late 1967. For the first three quarters of 1969, income on private foreign investments in the United States is estimated at roughly $2.6 billion, $0.4 billion more than the total for the whole of 1968.

TABLE 16.—*International investment position of the United States, 1955, 1965, and 1968*

[Millions of dollars; end of year]

Type of investment	Total			Western Europe, 1968[1]	Canada, 1968[1]	Latin American Republics, 1968[1]
	1955	1965	1968[1]			
Net international investment position of the United States	37,237	61,387	65,013	−8,278	20,704	15,060
U.S. assets and investments abroad[2]	65,076	120,126	146,134	39,658	31,694	22,281
Private investments	29,136	81,197	101,900	28,124	31,679	17,077
Long-term	26,750	71,044	88,930	24,687	30,476	13,791
Direct	19,395	49,474	64,756	19,386	19,488	11,010
Other	7,355	21,570	24,174	5,301	10,988	2,781
Short-term assets and claims	2,386	10,153	12,970	3,437	1,203	3,286
U.S. Government nonliquid credits and claims	13,143	23,479	28,524	8,011	11	5,204
Monetary reserve assets	22,797	15,450	15,710	3,523	4	----------
Foreign assets and investments in the United States	27,839	58,739	81,121	47,936	10,990	7,221
Long-term	13,408	26,374	40,267	26,037	6,172	2,749
Direct	5,076	8,797	10,815	7,750	2,659	164
Corporate stocks	6,575	14,599	19,528	12,989	3,271	1,411
Other	1,757	2,978	9,924	5,298	242	1,174
Nonliquid short-term assets and U.S. Government obligations	900	3,250	7,237	4,591	1,638	164
Liquid assets	13,531	29,115	33,617	17,308	3,180	4,308
Private liabilities reported by banks	7,686	17,195	24,460	12,580	2,615	4,190
Other	5,845	11,920	9,157	4,728	565	118

[1] Preliminary. Total includes other foreign countries and international organizations and unallocated, not shown separately in this table.
[2] Includes U.S. gold stock.

Source: Department of Commerce.

THE PROBLEM OF INTERNATIONAL EQUILIBRIUM

The rapid growth of international trade and capital flows has brought into sharper focus two essential requirements for an adequate world monetary system. In the first place, there must be sufficient official liquidity to finance temporary imbalances. Second, the terms of exchange between national currencies should be sufficiently stable to foster confidence in international dealings, but not so rigid that they preclude the adjustments that may be needed from time to time as trading patterns and terms of trade undergo inevitable change. The urgency of progress in both these directions has been underlined in recent years by the increasing frequency of international financial disturbances. The *ad hoc* solutions for these have often been to impose various restraints that now threaten to obstruct further advances in the efficiency of the international economy.

The past year has seen important improvements, especially in the direction of greater liquidity. Years of discussion and negotiations culminated in final agreement to create Special Drawing Rights, a new international reserve asset. Now, for the first time in history, there is an international arrangement for systematically creating reserves. Also, the official parities of two important currencies were adjusted during 1969. France reduced the exchange value of the French franc in August. Following repeated inflows of speculative capital—most notably, the flood of between $4 billion and $5 billion in May and over $1.5 billion in September—the Germans allowed the mark to float upward at the end of September, and a new, higher parity was chosen in October. These two parity adjustments, together with the devaluation of the British pound in November 1967, have resulted in a pattern of exchange rates that is more closely in line with international competitive positions. A lessening of strains and instability in the international financial situation has followed, and the effects are apparent in the exchange markets. Most notable, perhaps, has been the narrowing of the discounts and premiums on forward exchange, which had become abnormally large before these adjustments in parities were made.

The agreement to create Special Drawing Rights provides a fundamental and lasting method for dealing with the liquidity question, but the changes in exchange rates during the past year do not assure an equally permanent solution to the adjustment problem. Some of the major maladjustments have been relieved for the time being, but basic forces that could produce new disequilibria continue to operate. Nations attach different degrees of importance to different objectives for economic policy. Changes in technology and demands have varying effects among countries. We should use the period of reduced tensions, which recent currency realignments and advances in providing for needed liquidity have granted us, to consider how the international financial system might be made more capable of adjusting to possible future shifts in the world economy.

International Liquidity: Special Drawing Rights

Consideration of how the international economic system might become better able to cope with changes in the relative positions of individual economies must begin with the landmark decision to establish Special Drawing Rights (SDR's). As trade and investment grow, countries tend to need higher reserves. If the reserves coming into the system are insufficient, general success in meeting goals for national reserves becomes impossible, and the outcome is destructive competition for reserves. Domestic and international policies are warped by a preoccupation with the balance of payments. Reductions in barriers to trade and investment become ever more difficult; indeed, international barriers may be increased as a result of the desire to protect national reserves.

To avoid these undesirable consequences international studies were started in 1964, focusing on the possibilities of creating a new reserve asset. The establishment of Special Drawing Rights resulted from these studies and from protracted negotiations later on involving the Group of Ten and the International Monetary Fund. SDR's are created by the IMF and allocated among the member countries in proportion to their Fund quotas. Because they are counted as an increase in reserves of the member countries, incentives to compete for reserves should be correspondingly lessened.

The preliminary steps to create the SDR's were discussed in the Council's *Annual Reports* for 1968 and 1969. During the past year, two final steps were taken in preparation for activation in January 1970. The amendment to the Articles of Agreement of the International Monetary Fund creating Special Drawing Rights was ratified during August by the required 67 member countries having 80 percent of the voting power of the IMF. The next step resolved the important question of the appropriate amounts of SDR's. The deficient growth of international reserves made it desirable that initial allocations of Special Drawing Rights should be substantial. The decision by the International Monetary Fund to create $9.5 billion in Special Drawing Rights between 1970 and 1972 should permit an adequate but not excessive growth of official reserves.

In using SDR's, countries are expected to fulfill the "requirement of need." SDR's are to be transferred to meet balance-of-payments needs and cover reserve losses, but not solely to change the composition of reserves. A country may use SDR's to purchase balances of its own currency from another participant, if the other participant agrees. Another set of provisions enables the Fund to guide SDR transactions from using countries to countries designated as eligible recipients on the basis of a number of criteria, including their balance-of-payments and reserve position. No country is bound to accept additional SDR's if its holdings already amount to three times its cumulative allocations.

During 1969 the Executive Board of the International Monetary Fund also agreed to recommend an increase in quotas in the Fund by a total of $7.6 billion, or 35.5 percent. While an increase in IMF quotas does not, in itself, result in an increase in "owned" international reserves, it does create a larger pool of international credit, which acts as a partial substitute for reserves. (When countries can borrow to finance temporary balance-of-payments deficits, they are under less pressure to acquire and hold reserves.) As part of the general increase in quotas, the U.S. quota will, if Congress approves, rise from $5,160 million to $6,700 million, an increase of 29.8 percent. Special arrangements were made in order that the proportion of the quotas held by less developed countries should not fall as much as they would with a mechanical application of the usual criteria based on trade and GNP. These countries' share of the total quotas will decrease only from 28.3 percent to 27.7 percent, and in absolute terms they will rise from $6,032 million to $8,014 million.

INTERNATIONAL ADJUSTMENT

Creating the Special Drawing Rights and increasing the IMF quotas will give nations more time to redress their balance-of-payments disequilibria in an orderly fashion, but the question of the most effective way to correct imbalances is still open. In principle, they can be corrected by three basic measures applied singly or in combination. First, domestic policy can be altered. Countries with a surplus can adopt more expansive policies and thereby increase their imports and reduce their exports. Countries with deficits can restrict domestic demand, thereby reducing their imports and increasing their exports. Second, governments can take direct action by adopting certain selective measures. To correct deficits, countries can increase tariff rates, or institute import quotas or controls on capital movements and tourist expenditures. In countries where a surplus exists, governments can reduce tariffs, remove other obstructions to imports, or encourage the outflow of capital. Third, exchange rates can be altered (although, as a practical matter, the United States cannot adjust its exchange rate). Countries may aim to correct deficits by adjusting the exchange rate of their currencies downward, a move that will discourage imports and encourage exports. Surplus countries can appreciate the exchange rate of their currencies, thereby encouraging imports and discouraging exports. The measures a country selects and its quickness in applying them will depend on its willingness and ability to finance deficits out of reserves and borrowings, or to permit surpluses to build up reserves.

Each of the three general methods for redressing balance-of-payments disequilibria has its advantages and disadvantages. How much international synchronization of domestic policies is desirable depends partly on whether policies to achieve internal stabilization will also restore a balance-of-payments equilibrium. It has been argued, for instance, that maintaining fixed exchange rates encourages countries to keep inflationary pressures under control, thus reinforcing "discipline." There is no automatic assurance, however, that the internal adjustment required to correct a country's balance of payments will also contribute to domestic stability. A balance-of-payments surplus might coincide with a domestic boom, in which case the restrictive policies needed by the domestic economy would further enlarge the surplus in the country's external payments. Another country might face the reverse of that situation, with underemployment at home and a deficit in its external payments. In such instances, there will be strong pressure to adopt direct action affecting international transactions, and, in some cases, to alter the exchange rate.

Direct Actions

International adjustment may be attempted through direct actions aimed at any of the components of the balance of payments, but the nature and limitations of such controls must be fully recognized. Although at times they may relieve an urgent situation, their function is essentially palliative. Once established, moreover, it often proves difficult either to deactivate them or to integrate them effectively into longer range solutions.

At the time the International Monetary Fund was established, capital transactions were believed to be a possible source of international disequilibrium, and capital controls were therefore considered preferable to current account controls as a means of correcting the balance of payments. Capital controls, however, also have their costs. The case for free international investment is similar to that for free international trade. Broader and freer markets for both capital and goods contribute to economic efficiency, the growth of the world economy, and a more rapid improvement of living standards generally. Capital controls create serious administrative difficulties and are likely to inspire a search for loopholes in their provisions. Once set up, they have a tendency to enmesh the economy in an ever-widening circle of restrictions rather than to develop conditions that would obviate the need for curbs. Furthermore, they are inconsistent with a liberal approach to economic policy and are irksome to business.

In his message of April 4, 1969, the President affirmed the Administration's intention to move away from controls on capital movements. The program to restrict direct investment abroad was relaxed; the minimum amount of investment, that is, the leeway before restraints are applicable, was raised from $200,000 to $1 million. This measure reduced the number of firms required to furnish quarterly reports under the program from 3,400 to 650. Furthermore, an optional earnings quota was established which allows companies to reinvest up to 30 percent of their foreign earnings. The Federal Reserve guidelines for banks were revised to give them more flexibility in financing U.S. exports and to resolve some equity problems. For 1970, further changes were made in the Federal Reserve program to encourage the financing of exports. The former minimum of $1 million under the Foreign Direct Investment Program was raised to $5 million, so long as investment over $1 million is used in the less developed countries.

On the trade side, temporary quantitative restrictions on imports are sanctioned under the GATT as a method for protecting the balance of payments. Since quantitative restrictions are particularly likely to disrupt trade, however, there has been some tendency to use import surcharges or a combination of import surcharges and export subsidies in their place. In theory, the imposition of a uniform import surcharge combined with an equivalent export subsidy is close to a change in the exchange rate in its effects on the trade balance, and therefore almost as neutral as an exchange rate adjustment with respect to the allocation of resources. In one important respect, however, these measures are not equivalent to an adjustment in the exchange rate. The latter applies to all international transactions, including tourist expenditures and other invisibles, as well as capital items. In contrast, the combination of import surcharges and export grants applies only to merchandise trade. Furthermore, almost inevitably there are pressures to exclude certain items from the surcharge-grant system, with the consequence that specified industries enjoy a degree of protection not granted to others.

It is appropriate for countries having a surplus to reduce their restrictions on imports and on capital flows, and a number of countries have taken such steps. (Countries may also undertake unilateral reductions in import barriers, or a speedup of reductions already agreed upon, to reduce domestic inflationary pressures, as Austria and Canada did during 1969, and as Switzerland plans to do in early 1970.) Although direct restrictions on imports or capital flows to correct deficits will normally have the undesirable side effect of inhibiting mutually advantageous international exchange, direct action to deal with a country's surplus by reducing barriers to trade or capital flows will have favorable side effects and will also lessen the likelihood of restrictive measures by deficit nations. Where possible, therefore, direct actions should take the form of a relaxation of controls and restraints by countries with a surplus rather than the introduction or tightening of such measures by deficit countries.

Exchange Rate Adjustments

Proper management of domestic economic policy, as indicated above, will not always be sufficient to avoid balance-of-payments difficulties. Other factors besides improper demand management may create imbalances. Where the economic policies required for external equilibrium differ greatly from those that promote price stability and high employment at home, the Bretton Woods system provides for discrete adjustments in exchange parities. In practice, however, countries have been reluctant to make such adjustments promptly, and their delays have often generated speculative movements of funds and use of restrictionist measures. The frequency of international financial crises in recent years has focused attention on the possibility of adjusting exchange rates in a calmer and more orderly manner.

At the Annual Meeting of the Governors of the International Monetary Fund in September, the Managing Director announced that the Fund will continue its study and appraisal of proposals for "limited flexibility" in exchange rates. The Secretary of the Treasury made it clear that the United States will actively participate in and contribute to this study. Although the results of such studies cannot be foreseen, it is possible to point out some of the technical and policy problems that will need clarification.

Within the general framework of the Bretton Woods system there is scope for greater flexibility of exchange rates than has been evident in practice. It has been suggested that parity adjustments could be made more frequently and hence in smaller amounts. Some official interest has also focused on proposals to widen the band within which exchange rates would be permitted to fluctuate around parities, and to provide mechanisms, like the so-called crawling peg or sliding parity, that would make movements in parity more gradual than they have been in the past.

Wider Bands

Interest in proposals for wider bands has concentrated on the possible effects of a modest widening—perhaps changing the present maximum range of 1 percent on each side of parity to permit a range of 2 percent. In itself this would do little to improve the adjustment mechanism. What it might do is to help insulate domestic money markets from movements of interest-sensitive short-term funds and reduce the largely one-sided speculative options that occur under the present system. However, a modest widening of the band can have no substantial effect in reducing troublesome flows of short-term money unless abrupt changes in parities are considered unlikely. If people commonly believe that the equilibrium exchange rate falls well outside the band, the broader band in itself can do little to discourage movements of short-term funds.

For a number of reasons, widening of the present bands cannot wholly guard against international imbalances sufficiently severe to throw established parities into question. As already pointed out, countries do not attach equal weight to the different objectives of economic policy. Some nations are more tolerant of inflation—or of increases in unemployment—than others. Governments also differ in their ability to influence the trend of costs and prices effectively. And, even if general price trends were identical in all countries, balance could be disturbed by changes in demand and supply patterns for internationally traded goods, or differing trends in government purchases and receipts. This situation has encouraged some to ask whether stability of the international monetary system would be improved if smaller and more frequent changes in parity were made in the hope of avoiding large discrete jumps.

Smoothly Moving Parities

A number of proposals have been made for smooth and gradual adjustments in parity of up to 2 or 3 percent per year. While these proposals for "crawling pegs" differ in technical detail, they present in common a number of the fundamental questions that figure in debates on this subject. One important issue turns on the degree of national discretion to be encouraged or permitted in altering exchange rates. Another question is whether smoothly moving parities would tie interest rates more closely to international developments and thus reduce the independence of domestic monetary policies. It is also feared that parity movements would weaken the external discipline on domestic policies. And there has been concern about whether these movements might complicate the conditions under which international business transactions take place.

The Degree of Discretion. The various proposals for slowly moving parities range from a completely permissive, discretionary authority to a completely automatic, mandatory system. A purely discretionary system might be no more successful than present arrangements in preventing fundamental imbalances that require abrupt changes in parity. Experience suggests that, left to their own discretion, individual countries might postpone parity changes until political or financial developments made them imperative. On the other hand, a fully automatic system might be unacceptable to nations that regard control over their exchange rate as an established prerogative of national sovereignty.

A possible compromise may lie between complete discretion and binding rules. One solution might be to develop presumptive rules that, with a degree of multilateral surveillance, would guide countries in making appropriate adjustments in parities.

The objective criteria most frequently recommended for incorporation into such presumptive rules are based on the behavior of spot and forward exchange rates, and on the changes in reserve levels, defined in various ways—for example, to include or not include short-term funds held by commercial banks. Typical proposals have urged that desirable parity changes be indicated by a moving average of past spot rates or by reserve movements. An advantage of including some measure of reserve movements in the criteria is that rules on direct official intervention in the spot or forward market might then be unnecessary. (If exchange rates were the only criterion, such rules might be deemed necessary, since exchange rates can be influenced by official intervention.) Much technical work remains to be done, however, before satisfactory criteria for parity changes can be established.

A number of other questions about the most desirable form of a moving parity system also require further study. For instance, how general would participation in the system need to be? As an initial step, should one or a few countries be encouraged to experiment with greater flexibility? Would slowly moving parities work best if they were accompanied by a widening of the band around parity? What special problems might arise for regional economic groupings?

In addition to these technical points, questions have been asked about the fundamental value of any form of slowly moving parities or widening of the band in improving the operation of the international monetary system. A full discussion of all of these issues would go beyond the scope of this chapter, but five of the most commonly raised questions about the desirability of greater exchange rate flexibility will be considered briefly. These ask what effects a greater flexibility in exchange rates would have on monetary independence; whether internal discipline would suffer; what provision would be made for forward cover on exchange transactions; whether small but frequent exchange rate adjustments would actually be effective; and what the implications of greater exchange-rate flexibility would be for the U.S. dollar.

Monetary Independence. One criticism of smoothly moving parities has been that they would bind monetary policy too closely to international conditions. If, for example, it was generally believed that a country's parity would move downward at the maximum permitted annual rate—say, 2 percent—for an extended time and that its spot rate would move down accordingly, there would be an incentive for capital to move out of the country unless domestic interest rates were 2-percent higher than foreign rates.

This criticism assumes that movements in the spot rate are predictable. Under certain conditions they might be. If sliding parities were used in an attempt to overcome an already existing and sizable disequilibrium, the direction of future movements in the exchange rate would be clear. This, however, is a purpose for which sliding parities are not particularly well suited. Alternatively, movement of the spot rate might be predictable if the equilibrium rate were gradually rising or falling over time. If a downward crawl in the exchange rate resulted from a more rapid rate of inflation in one country than in others, that country's domestic capital markets would tend to reflect these inflationary pressures, and the higher interest rates could exist for domestic reasons. The need to have higher interest rates because of the crawling peg might not, therefore, represent a restraint on domestic policy. Similarly, in countries with less inflation, there would be a tendency for interest rates to be lower whether there was a crawling peg or not.

Different rates of inflation are not, of course, the only forces that would cause a crawling peg to move. If the par value of a country's currency were too high for other reasons, a predictable one-way downward crawl might raise complications, with international capital flows impelling the monetary authorities to keep interest rates above the level that they consider desirable for domestic reasons, perhaps over fairly long periods. In any event, the important comparison lies between the policy restraint that might result from the crawl and the policy restraint that now occurs when an exchange rate is generally considered out of line, and when capital flows may consequently be stimulated by the expectation of a large discrete adjustment in the exchange rate. Because such adjustments offer the prospect of immediate sizable gains, the expectation that they will occur has often been an important motive behind short-term capital flows.

Furthermore, the initial capital flows in response to expected movements in the exchange rate will greatly overstate the magnitude of continuing flows. Once financial positions adjust to these changed incentives, capital movements would probably become much smaller, and the cessation of the crawl in due course would eliminate the incentives. Finally, the reversible nature of most liquid capital movements means that problems arising from short-term capital flows under a sliding parity could to some extent be dealt with by official financing instead of adjustments in interest rates.

Domestic Discipline. Another concern about slowly moving parities centers on whether they would reduce the disciplinary effects that reserve losses may have on nations needing to deal with domestic inflation. Since upward movements in the par value would have no such effects, it has been suggested that greater flexibility be allowed only in moving exchange rates upward. Indeed, an upward movement of the exchange rate would reduce inflationary pressures and facilitate the maintenance of domestic price stability in countries having a surplus. For countries with deficits, the validity of the discipline argument is difficult to assess in general terms. The response of countries to reserve losses varies considerably. Most countries have been reluctant to devalue. Some have adopted more restrained domestic policies as well as imposing restrictions on international transactions. The problems that might be caused by permitting a downward crawl therefore do not lend themselves to easy generalization.

The Provision of Forward Cover. A third question has to do with the operation of the forward market when there is greater flexibility in exchange rates. A change in the international financial system that, whatever its merits, aroused even more uncertainty about exchange rates, might have an adverse effect on trade and investment. On the other hand, to the extent that greater flexibility in the exchange rate promoted better adjustment and that speculative expectations became more stabilized, demands by international traders to cover their exchange risk in the forward market might actually fluctuate less than they do at present. Moreover, as the chances of an abrupt and large adjustment in the exchange rate are reduced, the consequences of being caught without forward cover become correspondingly less serious.

The Effectiveness of Small Changes in Parity. Another question is whether small but frequent changes in parity would be an effective means of promoting adjustments, since the evidence suggests that it takes time for trade to respond fully to a change in exchange rates; that is, elasticities in international trade are generally higher in the long run than in the short run. This lag is, of course, more relevant in situations where small changes in the exchange rate are used to correct already existing imbalances than where such changes are used to prevent a disequilibrium from developing. That being so, small but frequent adjustments of parity would probably be more useful in maintaining approximate equilibrium than in restoring a balance after a substantial disequilibrium has been allowed to develop.

The U.S. Position. Because of the central role of the U.S. dollar in the international monetary system, the United States cannot move its own parity with respect to other currencies. This implies that the United States would be particularly concerned with the direction in which other countries were moving their parities. A bias in one direction or the other could lead to an overvaluation or undervaluation of the dollar. Historically, devaluations of currencies with respect to the dollar have been more frequent and on average larger than revaluations. While to some extent this may reflect greater price stability in the United States than in many foreign countries, the danger of systematic overvaluation as a result of greater flexibility should be guarded against. This could be done by appropriate specification of the presumptive rules mentioned earlier.

THE DOLLAR AND INTERNATIONAL EQUILIBRIUM

The United States has the world's largest economy, and its exports and imports are larger than those of any other nation. These facts alone would make economic developments and policy here a matter of great concern to the world economy. A further point, however, is that the dollar has become the principal international currency. Much of the world's trade is denominated in dollars, and throughout the world dollars are widely held as reserves and as working balances to accommodate trade and investment.

Because the dollar plays a central role in the international monetary system, the United States is more constrained in its adjustment policies than other countries. Since the United States does not have primary control over any market exchange rate, other nations in effect determine the exchange value of the dollar. It is generally recognized that exchange rates are a matter of international concern, and the United States is consulted through the IMF and other organizations regarding the appropriateness of exchange rate adjustments. Yet the United States clearly exercises only indirect influence over the exchange value of its currency, in contrast to the more direct control exercised by other countries.

The central position of the dollar in the international system was not the result of any conscious decision or strategy on the part of the U.S. Government. It was the natural consequence of the size, strength, and stability of the U.S. economy, traits which were especially evident during the early years after the Second World War. This central role provides benefits for the United States, but it also entails problems and responsibilities.

For some years now, concern over the state of the U.S. balance of payments has been evident. The discussions of a dollar shortage in the 1950's have given way to discussions of the U.S. payments deficits. Nevertheless, in this same interval the predominant change in the exchange parities of other currencies has been downward (not upward) in relation to the dollar. There have been only three upward changes in the past decade—the revaluations of the German mark by 5 percent in 1961 and 9.3 percent in 1969, and the revaluation of the Dutch guilder by 5 percent in 1961.

In part—perhaps in large part—this paradox can be attributed to the fact that international liquidity needed to grow, and a large part of this growth has been through official accumulation of dollars. To be sure, not every payments imbalance is an indication of a low overall level of liquidity. But when many countries simultaneously begin to feel that their balance-of-payments positions are too weak, it is evident that there is a general shortage of liquidity. It was precisely to eliminate this shortage and the resultant danger of a destructive competition for reserves that the Special Drawing Rights were instituted. The introduction of SDR's should moderate the general tendency to consider that official reserves are too low.

It is also important to the United States and to the international community that the international adjustment mechanism be strengthened. Failure to achieve this could have serious consequences. New strains on the world monetary system could develop unless our payments position assures foreign monetary authorities and private traders that the dollar will remain strong. The present situation, in which we maintain an official settlements surplus only because of large-scale foreign borrowing by U.S. corporations and banks at high interest rates, creates a feeling of some uneasiness here and abroad, and observers generally regard the present structure of the U.S. international accounts as abnormal and temporary.

Whatever the United States does is felt in other countries. We, therefore, have every reason to consider the effects that our economic policies will have on them. Continuing prosperity and economic stability abroad depends in part on stable growth in the United States. Because of our size, other countries feel the influence of inflationary or deflationary pressures originat-

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ing in this country. If U.S. inflation were to continue at its recent levels, some countries might face the painful necessity of choosing between the inflationary consequences of a large export surplus or an upward adjustment of their exchange rates. For international as well as domestic reasons, it is most important that the United States restore internal balance and achieve sustainable, noninflationary growth. This responsibility, along with reasonably free access to U.S. markets, constitutes our predominant obligation toward international economic well-being.

Appendix A

UNEMPLOYMENT AND THE ECONOMY

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Unemployment and the Economy

The unemployment rate occupies a prominent place in the array of economic statistics that indicate the overall state of the economy. This central position is to a large extent attributable to the fact that it serves as a broad but direct index of the extent to which the mandate of the Federal Government embodied in the Employment Act of 1946 is being fulfilled.

Much of the attention the unemployment rate receives, however, is a result of its role as an indicator of economic waste and public welfare. As a Nation we are highly and properly sensitive to the problem, of the person seeking employment and unable to find a job. We need to know as much as possible about the numbers and characteristics of the unemployed, and the reasons they are not working, so that the most effective remedies can be devised. In the management of economic policy it is essential to see this complex picture clearly in order to formulate a judgment about the relative emphasis to be placed on general measures to enlarge employment opportunities and on other special-purpose programs to deal with more specific manpower problems. This appendix examines information bearing on the character and composition of unemployment in our recent experience.

UNEMPLOYMENT STATISTICS AND THEIR INTERPRETATION

Unemployment is usually accompanied by an interruption or decline in the income flow that often represents the principal source of livelihood for a family or individual. Unemployment can, therefore, cause substantial hardship, particularly if it occurs for the family breadwinner and if it persists for a considerable period of time. The implications of unemployment and loss of income for economic well-being and morale provide ample justification for public concern about unemployment and for government policies to reduce its incidence and to cushion its impact when it occurs.

While these social implications of unemployment are widely recognized, and appropriately given great emphasis, some other facets of unemployment in the economy and the interpretation of the unemployment rate have received much less recognition and discussion.

The unemployment rate is sometimes viewed as an indicator of wasted resources in the economy. In its simplest formulation this view often rests on the notion that labor services lost through involuntary unemployment are irretrievably lost, and that the loss serves no economic purpose. It can legitimately be argued that the loss in labor services is not restricted to the period of idleness if unemployment is accompanied by loss of income that results in a decline in the health and well-being of workers. In addition, loss of proficiency in skills and loss of motivation and morale accompanying idleness may further increase the waste of human resources that involuntary unemployment entails. Nevertheless this view of unemployment as an important source of waste is applicable to only a part of actual unemployment and that portion declines as lower unemployment rates are achieved.

The level of the unemployment rate and the numbers of unemployed persons in various subcategories are often taken to indicate the narrow segment on which the incidence of slack in the economy falls—the unemployed. The cost to society of unemployment is then viewed as the earnings loss implied for those experiencing unemployment. Viewed in the context of aggregate economic policy, the cost of economic conditions or policies that result in increased unemployment thus appears to be concentrated on those in the fraction of the labor force reported as unemployed. While these costs are borne disproportionately by some groups, the portion of the work force experiencing unemployment over a period of time is much larger than the unemployment rate suggests. Moreover, involuntary part-time employment, other forms of underemployment, and nonparticipation in the labor force as a result of poor prospects for obtaining employment are not reflected in the unemployment rate. Some unemployment is a byproduct of labor market adjustments such as entry into the labor force, seasonal variation in manpower requirements, and changes in the composition of demand. Although its origins may be inherent in the operation of a free labor market, even under conditions of high demand, such unemployment may cause serious problems for some workers.

Recent unemployment rates have been low compared to our historical experience since World War II. The interim goal of a 4-percent average annual unemployment rate, set out in the early sixties, has been surpassed for 4 years (1966–69), and in this period the unemployment rate was at its lowest level since the Korean conflict in the early fifties. The primary policy emphasis has now shifted from one of reducing slack in the economy and further decreasing unemployment to one of monetary and fiscal restraint to contain the forces of inflation. Thus an examination of the character and composition of unemployment in our recent experience will indicate the dimensions of the labor market adjustment process under high employment conditions.

UNEMPLOYMENT AND LABOR MOBILITY

The American economy has been characterized by growth and technological change. This has been accompanied by a shifting pattern of output and resource use. A highly mobile labor force has facilitated the adjustment processes necessary to accommodate rapid and continued change. New employment opportunities constantly open up providing more productive and higher paying jobs than in other sectors of the economy. Increasing productivity and rising wages have resulted from this continuing reallocation of labor to more productive employment as well as from improvement in workers' skill levels and an increasing supply of more productive capital inputs.

Many workers are able to change jobs without an intervening period of unemployment, and many of those leaving school or reentering the labor force have jobs lined up in advance. But obtaining new employment often involves time and effort in search of the most suitable and productive opportunities consistent with workers' skills and preferences. Time spent in search of the most suitable employment in a generally active labor market can be regarded as a constructive activity on the part of some workers. In those cases it should not be regarded as a waste of resources, just as time spent in schooling, skill training, or other activities to upgrade earning power are not regarded as economic waste. There is a cost to the worker and to the economy of such "frictional" unemployment, but improvements in job status, earnings, working conditions, and job satisfaction are offsetting benefits.

Ways should be sought to reduce this cost, without losing the attendant benefits. For example, information plays a crucial role in the process of satisfactorily matching workers with jobs. Providing job information may be a worthwhile social investment, decreasing the time and effort workers must typically spend in search of suitable employment and improving labor utilization. The Department of Labor has long played a leading role in gathering and disseminating job market information, and this Administration is accelerating the development and introduction of systems such as the Job Bank and experiments in computerized matching of workers with jobs.

Many job changes with accompanying periods of unemployment are a result of voluntary turnover, workers leaving their previous employment in search of more favorable alternatives. In 1969, 15 percent of the unemployed voluntarily left their last job (Table A–1). In addition, many of those unemployed were entering or reentering the labor force—49 percent in 1969. These workers who entered or reentered the labor force are actively using this time in an effort to find suitable jobs. Unemployment for workers in these categories often is not strictly involuntary. For many of them it can be described more properly as time voluntarily devoted to obtaining productive employment, improved job status, or more suitable and perhaps higher paid employment.

TABLE A–1.—*Unemployed persons by reason for unemployment, 1969*

Reason	Number (thousands)	Percentage distribution
Total unemployment	2,831	100
Lost last job	1,017	36
Left last job	436	15
Reentered labor force	965	34
Never worked before	413	15

Note.—Detail will not necessarily add to totals because of rounding.

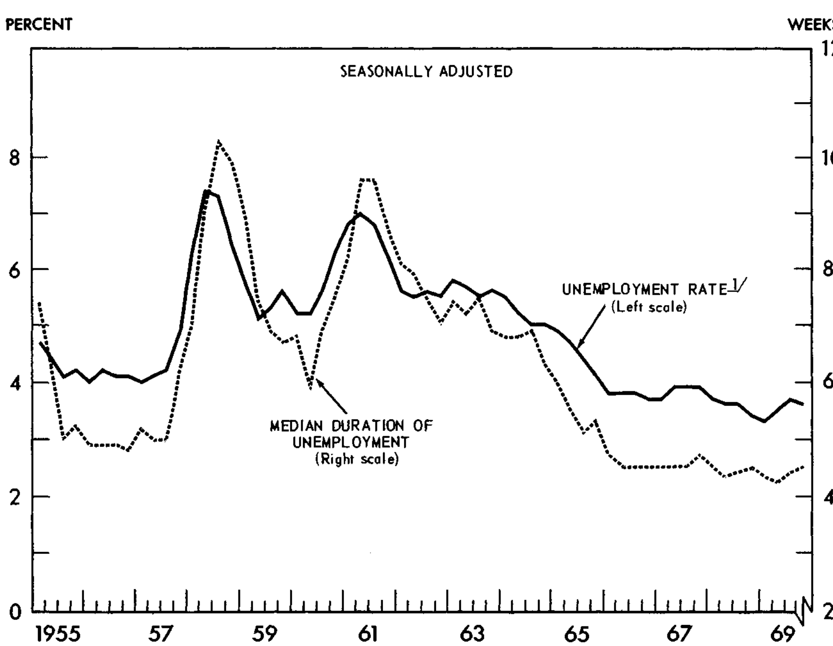
Source: Department of Labor, Bureau of Labor Statistics.

The rapid pace of technological change contributing to rising living standards leads to changes in the pattern of labor use that often require some involuntary job changes. In addition, the seasonal nature of some work, secondary effects of work stoppages, and temporary adjustments in production and inventories result in involuntary loss of employment. In 1969, 36 percent of those unemployed left their last job involuntarily. Most were unemployed for only a short time. One out of two were unemployed less than 5 weeks as compared to slightly over 4 weeks for those who became unemployed for reasons other than job loss.

The nature of the job search required to obtain suitable employment for those workers experiencing unemployment is indicated by the amount of time the typical unemployed worker spends in search of employment. In 1969, the median duration of unemployment was less than 4.5 weeks (Chart A–1). The search period required for the typical unemployed worker to obtain employment varies with the level of the unemployment rate. Since 1965, it has been less than 5 weeks. Thus the predominant share of those unemployed spend a relatively short time in search of suitable jobs. Some workers experiencing frequent short periods of unemployment are, nevertheless, seriously affected by unemployment that is typically of short duration.

Chart A–1

Unemployment Rate and Duration



1/ UNEMPLOYMENT AS PERCENT OF CIVILIAN LABOR FORCE.
SOURCES: DEPARTMENT OF LABOR AND COUNCIL OF ECONOMIC ADVISERS.

Many workers, of course, enter or leave the labor force without suffering any unemployment. In 1968, for example, over 90 million persons worked at some time during the year. (Data for 1969 are not yet available.) Slightly over 10 million of those who worked were unemployed at some time during the year. Hence over 80 million persons worked in 1968 and experienced no unemployment even though the average number employed was less than 76 million. Viewed in a slightly different manner, over 32 million persons worked less than 50 weeks in 1968. But less than 9 million (27 percent) of these part-year workers experienced some unemployment. The rest of those who worked less than a full year entered or voluntarily left the labor force during the year. In addition, many workers who worked a full year changed jobs without experiencing any intervening unemployment. In manufacturing alone, a sector accounting for over 25 percent of average employment in 1968, Bureau of Labor Statistics data indicate that almost 11 million job changes and new hires occurred—a number almost equal to the total number of persons experiencing unemployment throughout the entire economy in that year. These data illustrate the amount of flux in the labor force. They also indicate that changing jobs and obtaining employment typically require far less search time than is indicated by the median duration of unemployment, since those statistics refer only to workers experiencing unemployment.

THE DURATION OF UNEMPLOYMENT

An increase in the unemployment rate obviously results in additional persons experiencing unemployment. It is less generally recognized that part of the increase in the unemployment rate is attributable to a lengthening in the time that workers must typically spend in search of suitable employment. More people are unemployed because of layoffs and an inability to find other employment immediately. Others who enter the labor force or who left previous employment are more likely than before to go through a period of job search instead of finding suitable employment immediately. Since the increase in the period of time typically required to find work is reflected in the reported unemployment rate, the number of additional people experiencing unemployment over a period of time is proportionately less than the increase in the number reported as unemployed at any given time.

An increase of 1 percentage point in the unemployment rate would, on the basis of past experience, be expected to result in an increase of about 1.4 weeks in the median time required for those becoming unemployed to obtain jobs. Thus, from the point of view of both the larger number of workers experiencing unemployment and the longer average duration of unemployment, higher unemployment rates increase the costs that must be incurred to find suitable jobs by those entering the labor force or changing employment.

Workers most seriously affected by unemployment and increases in the unemployment rate are the long-term unemployed. In 1968, for example, over 900,000 workers experienced more than 6 months of unemployment during the year, more than half of them having more than one interval of unemployment. Yet the number unemployed more than 6 months at any given time averaged about 156,000. Thus even this group of long-term unemployed is subject to substantial turnover.

For the long-term unemployed, searching for suitable employment is extremely costly, and the consequences for family income when the principal earner is unemployed for a long period are likely to be severe. Many of these workers undoubtedly have handicaps impairing their ability to get and hold jobs. Manpower training programs to improve their employability or special programs to give them access to job opportunities are required. Fortunately, their numbers are relatively small. There were 133,000 reported as unemployed for 6 months or more in 1969 monthly statistics; 42,000 of these were married males with wives present. Although they represent a small group in a labor force of over 80 million, the costs unemployment imposes on them justify strong manpower policies to improve their employment prospects and further reduce the number in this group.

UNEMPLOYMENT AMONG DIFFERENT GROUPS

Unemployment rates differ markedly among classes of workers and population groups. They are particularly high for teenagers, and relatively high for women and for Negro and other races (Tables A–2 and A–3).

TABLE A–2.—*Unemployment by age, sex, and race, 1969*

Age, sex, and race	Number (thousands)	Percentage distribution	Rate (percent)[1]
Total unemployment	2,831	100	3.5
Teenagers 16–19 years of age	853	30	12.2
Males	441	16	11.4
White	343	12	10.1
Negro and other races	97	3	21.3
Females	412	15	13.3
White	317	11	11.5
Negro and other races	95	3	27.7
Adults 20–44 years of age	1,370	48	3.2
Males	630	22	2.4
White	509	18	2.1
Negro and other races	122	4	4.2
Females	740	26	4.7
White	571	20	4.2
Negro and other races	168	6	7.2
Adults 45 years of age and over	608	21	2.0
Males	332	12	1.7
White	285	10	1.6
Negro and other races	47	2	2.8
Females	276	10	2.4
White	235	8	2.3
Negro and other races	41	1	3.3

[1] Number of unemployed in each group as percent of labor force in that group.

Note.—Detail will not necessarily add to totals because of rounding.

Source: Department of Labor, Bureau of Labor Statistics.

TABLE A–3.—*Selected measures of unemployment, 1969*

Measure	Number (thousands)	Rate (percent)
Total unemployment	2,831	3.5
Race:		
White	2,261	3.1
Negro and other races	570	6.4
Selected type of worker:		
Blue collar	1,154	3.9
White collar	780	2.1
Sex:		
Male	1,403	2.8
Female	1,428	4.7
Marital status:		
Male:		
Married	582	1.5
Other	821	7.1
Female:		
Married	689	3.9
Other	739	5.8

Note.—Detail will not necessarily add to totals because of rounding.

Source: Department of Labor, Bureau of Labor Statistics.

Teenagers and Young People

Almost 40 percent of the unemployed in 1969 were persons 16–21, although this age group comprised only 13 percent of the labor force. The unemployment rate for persons 16–21 years of age was 10.4 percent in 1969, while that for persons 22 years of age and over was 2.4 percent. Since the overall unemployment rate was 3.5 percent, the high rates for persons 16–21 years of age contributed 1.1 percentage points to the overall rate. But the high unemployment rates of young workers give a misleading impression of the incidence of unemployment among teenagers as a group as well as of their welfare implications.

The pattern of activities of persons in the 16–21 age class differs markedly from that for older persons. The primary activity of nearly half (45.5 percent in 1969) of the persons in the civilian population age 16–21 years old is schooling. Although their unemployment rate was 10.4 percent, only 3.9 percent of all the persons in this age class were both unemployed and not attending school.

Examining only annual averages obscures the large seasonal variation in the labor force and employment that occurs in this age class. During the school year (October 1968–May 1969) 58.9 percent were attending school (Table A–4). The percentage in school dropped to 6.5 percent in the summer months (July and August 1969) and the unemployment rate of the 16–21 year age group increased from 9.8 to 10.1 percent. The percent of those in this age class who were unemployed and not in school increased from 2.7 to 6.5 percent. The number in the labor force, however, increased by more than one-third. This short-term increase for the summer months occurs for a period averaging about 3 months or less.

TABLE A-4.—*Distribution of activities of persons 16–21 years of age, 1968–69*

Activity	1969 annual average	School year, October 1968-May 1969	Summer months, July and August 1969
Percentage distribution of civilian noninstitutional population 16–21 years of age, total	100.0	100.0	100.0
Major activity, going to school:			
In civilian labor force:			
Employed	13.0	17.3	1.2
Unemployed	1.7	2.1	.2
Not in labor force	30.8	39.6	5.0
Major activity, other:			
In civilian labor force:			
Employed	35.5	27.2	58.2
Unemployed	3.9	2.7	6.5
Not in labor force	15.1	11.1	28.9
Unemployment rate, persons 16–21 years of age (percent):			
In school	11.7	10.7	15.3
Not in school	9.9	9.2	10.0

Source: Department of Labor, Bureau of Labor Statistics.

During the school year 2.1 percent of those in the 16–21 year age class were in school and unemployed. During most of the school year over 90 percent of those unemployed and in school were interested in only part-time work. In the summer months about 25 percent were looking for part-time work. Even in the large short-term bulge in the labor force occurring in the summer months only 4.8 percent of the population in this age class was unemployed, not in school, and looking for full-time work.

Unemployment rates, particularly in the summer months and for Negro and other nonwhite races, are comparatively high for persons in the 16–21 year age class (Table A–5). This is in part a result of the large seasonal change in the labor force that occurs in the summer months. For this age class entry and reentry into the labor force are also much more prevalent than for older workers. This is a period in which a large share of the transition between schooling and attachment to the work force is accomplished.

Persons in this age class are particularly vulnerable to unemployment because many are seeking their first job. Moreover, many of the early school-leavers enter the labor force without skills or qualifications that are easily recognizable by employers. Many are inexperienced at searching for work and often change jobs frequently to explore different types of employment. The large share of those in this age class that are usually searching for employment, their inexperience in job search, and the relative lack of information both on the part of employers and job seekers are all factors contributing to the high unemployment rates they experience. Lack of family and other commitments also often makes their attachment to work and to any given job more casual than that for older workers.

TABLE A-5.—*Distribution of activities of persons 16–21 years of age by sex and race, 1968–69*

Period, sex, and race	Percent of noninstitutional population 16–21 years of age			Unemployment rate (percent), persons 16–21 years of age	
	In school	Unemployed: In school	Unemployed: Not in school	In school	Not in school
School year, October 1968–May 1969:					
Males:					
White	67.8	2.5	2.2	9.7	7.7
Negro and other races	59.2	3.5	5.0	22.2	14.4
Females:					
White	52.9	1.4	2.4	9.4	8.0
Negro and other races	47.5	2.2	6.0	25.2	19.7
Summer months, July and August 1969:					
Males:					
White	6.2	.2	5.9	11.6	7.9
Negro and other races	6.6	.1	12.7	9.1	17.6
Females:					
White	6.3	.2	5.5	19.3	9.6
Negro and other races	8.6	.4	10.4	27.3	21.1

Source: Department of Labor, Bureau of Labor Statistics.

The earning capability of many workers in this age class is low relative to that for older, more experienced workers. A large fraction is also interested in only part-time work, and part-time jobs typically pay lower wages than full-time, long-term job commitments. Higher minimum wage levels and expanding coverage requirements may, therefore, be significant factors influencing recent high unemployment rates for persons in this age class.

The welfare and income implications of unemployment among young persons are somewhat less serious than for other groups such as adult married men. Many of these young persons are part of larger family units. The contribution of working teenagers to average family income in 1966 was about 10 percent. More than three-quarters of those who worked earned less than $1,000. Moreover, many unemployed teenagers are from families that are relatively well-to-do. Over 30 percent of unemployed teenagers were in families with annual incomes of more than $10,000; about the same fraction were in families with incomes of less than $5,000.

Women

Unemployment rates for women are also relatively high. In 1969, the unemployment rate for females was 4.7 percent compared to 2.8 percent for males. Nearly half of unemployed women were married with husbands present. In a large fraction of these families the husband was undoubtedly employed, and employment for the wife would represent a secondary source of income. Among the 739,000 unemployed females not married or whose husbands are not present, many are young persons with the special reasons for high unemployment already discussed. Since there were 412,000 unemployed female teenagers in 1969, they account for a large fraction of the unemployed females who were not married or whose husbands were not present.

Negro and Other Races

Unemployment rates for Negroes and other minority races are roughly double those for whites, a pattern that has prevailed since the late fifties. The higher unemployment rate for Negro and other races reflects in part their different labor force composition. Standardizing for age and sex differences in the labor force decreases the unemployment rates for Negro and other races from 6.4 to 6.0 percent, but the adjusted rate is still almost double that for whites (3.1 percent). Standardizing for years of schooling, industry, occupation, and the like would further decrease the relative unemployment rate of Negro and other races. But the need for adjustments of this sort simply reflects an historical pattern of discrimination and disadvantage that more recent policies to improve employment qualifications and opportunities have only begun to ameliorate.

An additional 290,000 jobs for unemployed Negroes and members of other races in 1969 would have made their unemployment rate equal to that of whites. This is about 20 percent of the annual increase in average employment in each of the last 5 years. Focusing on the additional jobs required for members of Negro and other races to bring their unemployment rate down to the level for whites, however, gives a misleading impression of the nature of the problem. The problem is not that 290,000 additional members of Negro and other races are totally unable to obtain employment. In 1969, for example, 29,000 persons of Negro and other races were reported as unemployed for 6 months or more in a typical month. The fraction of those unemployed who were unemployed for 6 months or more was slightly higher for Negro and other races than for whites—5.1 compared to 4.6 percent. Bringing the unemployment rate for Negro and other races down to the level prevailing for whites requires long-term policies designed to improve the distribution of education, skill levels, occupational and industrial affiliation, and job opportunities.

Appendix B

REPORT TO THE PRESIDENT ON THE ACTIVITIES OF THE COUNCIL OF ECONOMIC ADVISERS DURING 1969

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LETTER OF TRANSMITTAL

COUNCIL OF ECONOMIC ADVISERS,
Washington, D.C., December 31, 1969.

THE PRESIDENT:

SIR: The Council of Economic Advisers submits this report on its activities during the calendar year 1969 in accordance with the requirements of the Congress, as set forth in Section 4(d) of the Employment Act of 1946.

Respectfully,

PAUL W. MCCRACKEN,
Chairman.
HENDRIK S. HOUTHAKKER.
HERBERT STEIN.

Report to the President on the Activities of the Council of Economic Advisers During 1969

In 1969, for the third time in its history, the Council of Economic Advisers was entirely reconstituted as the result of a change of Administration. Paul W. McCracken took office as Chairman of the Council on February 4, 1969, replacing Arthur M. Okun, who became a Senior Research Fellow at the Brookings Institution, Washington, D.C. Mr. McCracken, who had previously served as a Council Member for 2 years during 1957 and 1958, is on leave of absence from the University of Michigan where he is Edmund Ezra Day University Professor of Business Administration.

Herbert Stein and Hendrik S. Houthakker also became Members on February 4, 1969. They succeeded Merton J. Peck, of Yale University, and Warren L. Smith, of the University of Michigan. Mr. Houthakker is on leave of absence from Harvard University where he is Professor of Economics. Mr. Stein is on leave from his post as Senior Research Fellow at the Brookings Institution.

Below is a list of all past Council Members and their dates of service:

Name	Position	Oath of office date	Separation date
Edwin G. Nourse	Chairman	August 9, 1946	November 1, 1949.
Leon H. Keyserling	Vice Chairman	August 9, 1946	
	Acting Chairman	November 2, 1949	
	Chairman	May 10, 1950	January 20, 1953.
John D. Clark	Member	August 9, 1946	
	Vice Chairman	May 10, 1950	February 11, 1953.
Roy Blough	Member	June 29, 1950	August 20, 1952.
Robert C. Turner	Member	September 8, 1952	January 20, 1953.
Arthur F. Burns	Chairman	March 19, 1953	December 1, 1956.
Neil H. Jacoby	Member	September 15, 1953	February 9, 1955.
Walter W. Stewart	Member	December 2, 1953	April 29, 1955.
Raymond J. Saulnier	Member	April 4, 1955	
	Chairman	December 3, 1956	January 20, 1961.
Joseph S. Davis	Member	May 2, 1955	October 31, 1958.
Paul W. McCracken	Member	December 3, 1956	January 31, 1959.
Karl Brandt	Member	November 1, 1958	January 20, 1961.
Henry C. Wallich	Member	May 7, 1959	January 20, 1961.
James Tobin	Member	January 29, 1961	July 31, 1962.
Kermit Gordon	Member	January 29, 1961	December 27, 1962.
Walter W. Heller	Chairman	January 29, 1961	November 15, 1964.
Gardner Ackley	Member	August 3, 1962	
	Chairman	November 16, 1964	February 15, 1968.
John P. Lewis	Member	May 17, 1963	August 31, 1964.
Otto Eckstein	Member	September 2 1964	February 1, 1966.
Arthur M. Okun	Member	November 16, 1964	
	Chairman	Feburary 15, 1968	January 20 1969.
James S. Duesenberry	Member	February 2, 1966	June 30, 1968.
Merton J. Peck	Member	February 15, 1968	January 20, 1969.
Warren L. Smith	Member	July 1, 1968	January 20, 1969.

ECONOMIC POLICYMAKING AND THE COUNCIL OF ECONOMIC ADVISERS

RESPONSIBILITIES OF THE COUNCIL

The Employment Act of 1946 describes explicitly the objectives of economic policy as "creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power." The foremost duty of the Council of Economic Advisers (CEA) is to give the President advice, based on economic analysis, which will assist him in assuring that this responsibility of the Federal Government is met.

A variety of analytical techniques is used, ranging from economic models incorporating complex equation systems to the careful judgment and appraisal that must finally temper the answers from formal systems. Statistical analyses of many aspects of economic conditions and stabilization policies are a continuing part of Council work. Final output of this analysis is reflected in personal consultations with the President and in memoranda from the Chairman of the Council to the President and others in the Administration.

Although the Employment Act of 1946 specifically directs the Council "to appraise the various programs and activities of the Federal Government," this function of the Agency is less familiar to the general public because it is largely internal. The Council works with other agencies to assist the Administration in formulating proposals for new programs and policies and in reappraising existing ones. It also recommends positions on bills proposed in Congress. Since January 20 the Council has made formal recommendations on 190 bills that have been either in the early stages of consideration by the Administration or the Congress or have come to the President's desk to be signed or vetoed. The Council brings to its appraisal the analytical methods of economics, and it seeks to take the viewpoint of the public at large, or the economy as a whole.

During 1969, the Council participated in formulating a number of new Administration programs, including programs for manpower training, transportation, social security, unemployment compensation, welfare, and agriculture. In each case, following background analysis by the staff, the Council's position was defined in memoranda to the President. The CEA also played a role in drafting some proposed legislation.

Analysis by the Council and its staff also helped reexamine a number of existing Federal Government programs, policies, and procedures. Among these was the CEA's participation in interagency efforts directed at such matters as interest rate ceilings on bank deposits, minority business enterprise, international monetary reform and trade policy, meat and oil imports, wheat exports, and a wide range of other programs and policies.

Much attention was devoted to the pressing problems in the construction and housing sectors of the economy during 1969. The Council played an active role in interagency groups dealing with lumber prices, housing prospects in the seventies, and the cutback in new contracts for direct Federal construction. The Council also participated in the Cabinet Committee on Construction appointed by the President, and the Chairman of the Council was directed by the President to serve as Chairman of this Committee. The Chairman of the Council also chaired a committee to study policies for handling the Government's uranium enrichment plants.

The CEA assists the President in the preparation of his *Economic Report* and also prepares its own *Annual Report.*

POLICY COORDINATION

The Council and its staff are in daily contact with other Government officials. There is especially close coordination among the Treasury, the Budget Bureau, and the CEA. At least weekly the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Chairman of the Council meet. Known as the "Troika," this coordinating group has two other "tiers." The second tier consists of one of the other two Council Members, the Assistant Director of the Budget for Economic Policy, and the Assistant Secretary of the Treasury for Economic Policy. A third tier, consisting of senior staff economists from the three agencies, meets frequently to appraise the economic situation and its policy implications. Outlook memoranda are prepared and cleared through the second tier of the Troika for use by the principals. The Troika meets with the President frequently. From time to time the Chairman of the Board of Governors of the Federal Reserve System participates in these meetings also.

The new Cabinet Committee on Economic Policy, established by Executive Order of the President on January 24, 1969, serves as a major forum for broader policy discussion and coordination. Members include the President, the Vice President, the Secretaries of the Treasury, Agriculture, Commerce, Labor, and Housing and Urban Development, the Counselors to the President (Mr. Burns and Mr. Moynihan), the Director of the Bureau of the Budget, the Deputy Under Secretary of State for Economic Affairs, and the Chairman of the Council of Economic Advisers (who coordinates the work of the Committee).

This Cabinet Committee considers the broad spectrum of economic program and policy issues. During 1969, the President appointed subcommittees to study such problems as post-Vietnam planning, agricultural trade, economic aspects of antitrust laws, legal ceilings on interest rates, Federal lending policies and procedures, establishment of a commission to review

Federal statistics, and the availability and prices of softwood lumber and plywood.

The Cabinet Committee on Construction was established by the President on September 4, 1969, in response to the growing problems in this industry. Its purpose is to study the impact of Federal activities on the industry and to appraise the Nation's needs for construction and housing and to devise ways to meet these needs. Formerly under the Cabinet Committee on Economic Policy, the interagency Task Force on Requirements for the Housing Program became a part of this Cabinet Committee. Members of the Cabinet Committee on Construction are the Secretaries of Commerce, Labor, Housing and Urban Development, and Transportation, the Postmaster General, the Administrator of the General Services Administration, and the Chairman of the Council of Economic Advisers.

The Council participates in a variety of other activities of interagency concern. Reflecting this wider role, the Chairman of the Council serves as a member of the Rural Affairs Council, the Urban Affairs Council, and the National Defense Review Committee; he meets with the National Security Council and the Environmental Quality Council when agenda items make this relevant. The other two Council Members as well as senior staff economists also participate in the task forces and study groups designated by these councils. The Chairman of the Council regularly attends Cabinet meetings.

There is a particularly close association between the Council and the Joint Economic Committee (JEC) of the Congress, a Committee which was also created by the Employment Act of 1946 "to make a continuing study of matters relating to the *Economic Report*" and generally for the purposes of furthering the objectives of the Act. Each year, soon after the President has submitted his *Economic Report* to Congress, the Council testifies before the JEC, which itself is required by the Act to file a report to the Senate and House by March 1 of each year, presenting its findings on the recommendations and content of the *Economic Report*. Testimony may also be presented to the JEC at other times throughout the year. During 1969, the Council testified four times before the JEC. On February 17, the Council testified on the economic thinking of the new Administration. On April 30, the Chairman testified before the Subcommittee on Economic Statistics of the JEC in support of the decennial census. On June 12, the Chairman testified before the JEC's Subcommittee on Economy in Government on defense spending and national priorities in the years ahead. And on October 23, the Council reviewed economic conditions and the outlook with the Subcommittee on Fiscal Policy of the JEC.

Although Council testimony in the past has largely been limited to the Joint Economic Commitee, three exceptions arose in 1969. On March 25, the Chairman testified before the Senate Committee on Banking and Currency with regard to interest rates and monetary policy. On May 20, the Chairman appeared with the Secretary of the Treasury and the Director of the Bureau of the Budget before the Committee on Ways and Means of the House on behalf of the Administration recommendations for extending the income tax surcharge. And on September 23, the Council testified before the Committee on Government Operations of the House of Representatives on a bill that sought to formalize the apparatus of wage-price guideposts.

At the international level, the Council Members and staff are active participants in meetings of the Economic Policy Commitee (EPC) of the Organization for Economic Cooperation and Development (OECD). The Chairman of the Council heads the U.S. delegation to the EPC. This Committee is part of the international machinery by which nations strive for better mutual understanding and coordination of their domestic economic policies. A Member and senior staff economists also participated in the subcommittees of the EPC on balance of payments and international financial problems (Working Party III), and Council staff have been active in OECD studies of the short-term outlook (Working Group on Short-Term Economic Prospects), of long-term economic growth (Working Party II), and of manpower policies pursued in the member countries (Manpower and Social Affairs Committee). In 1969, Council personnel attended seven of these international meetings.

PUBLICATIONS

The Council's *Annual Report* remains a major communication between the Council and citizens generally. About 54,000 copies of the January 1969 *Economic Report* have been distributed. The Council also prepares *Economic Indicators,* a monthly publication of the Joint Economic Committee. The current circulation of *Economic Indicators* is approximately 10,000.

PUBLIC CONTACTS

The Council arranged periodic meetings during the year with groups of leading academic, business, and labor union economists, in order to keep informed about their views on the major economic questions of the day. There is a constant stream of visitors to the Council from outside of Government, among them business and labor leaders, students, educators, foreign visitors, the press, and interested citizens generally. Informal interviews and discussions are also held on a wide range of economic policy problems and issues. Finally, to explain economic conditions and policies during the year, Council Members made a number of public speeches and granted interviews to newspapers and magazines.

OFFICE OF THE CHAIRMAN

Under authority of the Employment Act, as amended by Reorganization Plan No. 9 in 1953, the Chairman of the Council bears full responsibility for employing the Agency's staff, and he is officially charged with reporting the Council's views to the President.

OTHER COUNCIL MEMBERS

The day-to-day direction of the professional staff is the general responsibility of the other two Council Members. While the Council has no departments, there is an informal division of responsibilities by subject area. Mr. Houthakker's responsibilities include economic analyses by the Council's staff in such areas as the balance of payments and international financial matters, trade policy, foreign aid and economic development, agriculture, transportation, industrial organization and antitrust, labor relations, long-term economic growth, consumer affairs, natural resources, technology, and environmental problems.

Mr. Stein's responsibilities include forecasting and analyses of economic conditions, fiscal policy and taxation, monetary policy and financial institutions, housing and urban affairs, welfare and social security problems, education, manpower and human resources, national defense matters, and post-Vietnam planning generally.

In addition to these responsibilities, Mr. Houthakker and Mr. Stein represent the Council in a wide variety of official capacities, including meetings of the Cabinet Committee on Economic Policy and the Cabinet Committee on Construction. One of these two Members is always designated as Acting Chairman when the Chairman is absent from Washington.

PROFESSIONAL STAFF

At the end of 1969, the Council's senior professional staff included 16 economists and one statistician. Assisting the Chairman in carrying out his numerous official responsibilities is the Special Assistant to the Chairman, Albert H. Cox, Jr. Mr. Cox also handles press relations for the Council, acts as staff secretary for the Cabinet Committee on Economic Policy, and performs professional duties, including work in his primary fields of specialty (financial markets and monetary conditions).

Senior Staff Economists William H. Branson, Murray F. Foss, and Frank C. Ripley work primarily on analyses and forecasting of economic conditions. Mr. Branson, who along with Mr. Foss represents the CEA in the third tier of the Troika (discussed earlier), also did extensive work during the year on the Administration's proposed welfare program and on the review of economic aspects of the defense program. Mr. Ripley's primary responsibility has been in the development and refinement of the Troika forecasting models, the analysis of price-making forces, and other econometric studies.

Senior Staff Economist Phillip D. Cagan and Staff Economist Robert René de Cotret cover monetary policy and financial institutions and the influence of developments in this area on economic activity. Senior Staff Economist Charles E. McLure, Jr., has been concerned with matters of fiscal policy and public finance, including tax policy, problems of measuring the Federal budget, cost-benefit analyses of expenditure programs, social security, and economic and budgetary aspects of Federal credit programs.

The fields of human resource development and labor market analysis are assigned to Marvin H. Kosters and Michael H. Moskow, both Senior Staff Economists. Mr. Kosters and Mr. Moskow are primarily concerned with labor market conditions, manpower programs and problems, industrial relations, labor union developments, and wage trends and prospects.

Housing and construction problems, and the problems of small business and minority business enterprise are the primary focus of Sidney L. Jones, Senior Staff Economist. Mr. Jones also serves as the staff secretary for the Cabinet Committee on Construction. Staff Economist Irene Lurie works in the field of welfare and income maintenance and on other economic aspects of poverty problems.

Three Senior Staff Economists specialize in economic analysis of particular programs and activities of the Federal Government. During 1969, Thomas G. Moore participated in a wide variety of interagency studies, including those concerned with the uranium enrichment facilities of the Atomic Energy Commission, urban mass transit, the supersonic transport, pollution problems, domestic satellite communications, antitrust policy, airports and airways, economics of marine resources, electric power reliability, and international aviation policy. Studies relating to oil import quotas, tariff preferences for less developed countries, and foreign aid were among those to which Senior Staff Economist Edward J. Mitchell contributed. Senior Staff Economist Harold O. Carter is concerned with the economics of agriculture and the many aspects of agricultural and rural development programs and policies.

Saul Nelson has been the Senior Staff Economist concerned with price and commodity developments, and during the year he participated in various interagency studies in these fields. In October, Mr. Nelson was given a leave of absence to work on a project for the International Bank for Reconstruction and Development.

Analysis of international economic problems is carried forward by G. Paul Wonnacott and Thomas D. Willett, Senior Staff Economists. Mr. Wonnacott has been concerned with such areas as balance of payments and international financial developments, foreign trade policy, and problems concerning the interrelationships of domestic economies. In addition to participating in the coverage of these areas, Mr. Willett has been engaged in the study of longer range aspects of international financial policy.

Frances M. James, Senior Staff Statistician, is in charge of the Council's Statistical Office. Miss James has major responsibility for managing the Council's economic and statistical information system. She also supervises the preparation of *Economic Indicators* for publication, the preparation of tables and charts for a wide variety of meetings throughout the year and for the *Economic Report,* and the fact-checking of memoranda, speeches, and testimony.

Assisting the senior professional staff are four Junior Economists, Leslie J. Barr, Paul N. Courant, Robert A. Kelly, and Rosemary D. Marcuss. Barry M. Levenson and Timothy B. Sivia are research assistants. Assisting Miss James in the Statistical Office are Teresa D. Bradburn, Catherine H. Furlong, Christine L. Johnson, and V. Madge McMahon.

From time to time, leading members of the economics profession have acted as consultants to the Council in various capacities. At the end of 1969, the list of active consultants included Edward F. Denison (Brookings Institution), Marten S. Estey (University of Pennsylvania), Ray C. Fair (Princeton University), Milton Friedman (University of Chicago), Gottfried Haberler (Harvard University), Arnold Harberger (University of Chicago), David J. Ott (Clark University), George Stigler (University of Chicago), and Lloyd Ulman (University of California).

In 1969 the Council continued its student intern program. Under this program the Council employs a limited number of outstanding students in economics, both graduate and undergraduate, for various periods of time, particularly in the summer. Employed under this program in 1969 were Henry E. Cole, W. Donald Dresser, H. Diana Hicks, Neil J. McMullen, Paul B. Manchester, Richard C. Marston, Mary E. Procter, Daniel L. Rubenfeld, and Earl M. Unger. Mr. Dresser, Mr. McMullen, and Miss Procter also returned as consultants during preparation of this *Annual Report.*

SUPPORTING STAFF

The Council's Administrative Officer, James H. Ayres, has responsibility for office management, including general supervision of the secretaries and messengers, duplicating, and the Agency's budget. Mr. Ayres, who reports to the Special Assistant to the Chairman, is assisted by Nancy F. Skidmore, Elizabeth A. Zea, and Bettye T. Siegel.

The secretarial staff includes Daisy S. Babione, Mayme Burnett, Mary C. Fibich, Elizabeth F. Gray, Laura B. Hoffman, Bessie M. Lafakis, Patricia A. Lee, Betty Lu Lowry, Eleanor A. McStay, Joyce A. Pilkerton, Dorothy L. Reid, Earnestine Reid, and Linda A. Reilly. Margaret L. Snyder serves primarily as the Agency's contact for general public information. James W. Gatling, Judson A. Byrd, and A. Keith Miles operate the duplicating and messenger department.

In preparing its *Annual Report,* the Council relied upon the editorial skills of Rosannah C. Steinhoff.

DEPARTURES

Charles B. Warden, Jr., who had served as Special Assistant to the Chairman for more than 3 years, resigned to accept a position with Data Resources, Inc., Lexington, Mass.

The Council's professional staff is drawn primarily from universities, largely on a 1-year basis. Many, therefore, who had served the Council during 1969 were not on the staff at the end of the year. Senior Staff Economists who resigned during the year were Leonall C. Andersen, F. Gerard Adams, Barry P. Bosworth, Frederick W. Deming, Marten S. Estey, Lawrence B. Krause, James W. Kuhn, Roger G. Noll, David J. Ott, Jack Rosen, Courtenay M. Slater, Thomas T. Stout, and Luther T. Wallace. Junior economists who served the Council in 1969, but were not members of the staff at the end of the year, were Susan R. Ackerman and Roselee N. Roberts. Research assistants Elaine R. Goldstein and Joanne C. Turner also served for a part of the year. Secretarial resignations included Frances V. Broderick, Anne G. Donnelly, Gladys R. Durkin, Roberta R. Kirk, Helen H. Knox, Karen J. MacFarland, Lucille F. Saverino, and Joy T. Sindelar.

The Council of Economic Advisers suffered a great loss with the passing of David W. Lusher, June 15, 1969. Mr. Lusher, widely known in this country and abroad as a student of economic developments and policy, joined the staff of the Council in March 1952.

Appendix C

STATISTICAL TABLES RELATING TO INCOME, EMPLOYMENT, AND PRODUCTION

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General Notes

Detail in these tables will not necessarily add to totals because of rounding. Unless otherwise noted, all dollar figures are in current prices.

Symbols used:

- ᵖ Preliminary.
- -- Not available (also, not applicable).
- * Amount insignificant in terms of the particular unit (e.g., less than $50 million where unit is billions of dollars).

TABLE C–1.—*Gross national product or expenditure, 1929–69*

[Billions of dollars]

Year or quarter	Total gross national product	Personal consumption expenditures[1]	Gross private domestic investment[2]	Net exports of goods and services[3]	Government purchases of goods and services[4]				
					Total	Federal			State and local
						Total	National defense[5]	Other	
1929	103.1	77.2	16.2	1.1	8.5	1.3	1.3		7.2
1930	90.4	69.9	10.3	1.0	9.2	1.4	1.4		7.8
1931	75.8	60.5	5.6	.5	9.2	1.5	1.5		7.7
1932	58.0	48.6	1.0	.4	8.1	1.5	1.5		6.6
1933	55.6	45.8	1.4	.4	8.0	2.0	2.0		6.0
1934	65.1	51.3	3.3	.6	9.8	3.0	3.0		6.8
1935	72.2	55.7	6.4	.1	10.0	2.9	2.9		7.1
1936	82.5	61.9	8.5	.1	12.0	4.9	4.9		7.0
1937	90.4	66.5	11.8	.3	11.9	4.7	4.7		7.2
1938	84.7	63.9	6.5	1.3	13.0	5.4	5.4		7.6
1939	90.5	66.8	9.3	1.1	13.3	5.1	1.2	3.9	8.2
1940	99.7	70.8	13.1	1.7	14.0	6.0	2.2	3.8	8.0
1941	124.5	80.6	17.9	1.3	24.8	16.9	13.8	3.1	7.9
1942	157.9	88.5	9.8	*	59.6	51.9	49.4	2.5	7.7
1943	191.6	99.3	5.7	−2.0	88.6	81.1	79.7	1.4	7.4
1944	210.1	108.3	7.1	−1.8	96.5	89.0	87.4	1.6	7.5
1945	211.9	119.7	10.6	−.6	82.3	74.2	73.5	.7	8.1
1946	208.5	143.4	30.6	7.5	27.0	17.2	14.7	2.5	9.8
1947	231.3	160.7	34.0	11.5	25.1	12.5	9.1	3.5	12.6
1948	257.6	173.6	46.0	6.4	31.6	16.5	10.7	5.8	15.0
1949	256.5	176.8	35.7	6.1	37.8	20.1	13.3	6.8	17.7
1950	284.8	191.0	54.1	1.8	37.9	18.4	14.1	4.3	19.5
1951	328.4	206.3	59.3	3.7	59.1	37.7	33.6	4.1	21.5
1952	345.5	216.7	51.9	2.2	74.7	51.8	45.9	5.9	22.9
1953	364.6	230.0	52.6	.4	81.6	57.0	48.7	8.4	24.6
1954	364.8	236.5	51.7	1.8	74.8	47.4	41.2	6.2	27.4
1955	398.0	254.4	67.4	2.0	74.2	44.1	38.6	5.5	30.1
1956	419.2	266.7	70.0	4.0	78.6	45.6	40.3	5.3	33.0
1957	441.1	281.4	67.8	5.7	86.1	49.5	44.2	5.3	36.6
1958	447.3	290.1	60.9	2.2	94.2	53.6	45.9	7.7	40.6
1959	483.7	311.2	75.3	.1	97.0	53.7	46.0	7.6	43.3
1960	503.7	325.2	74.8	4.0	99.6	53.5	44.9	8.6	46.1
1961	520.1	335.2	71.7	5.6	107.6	57.4	47.8	9.6	50.2
1962	560.3	355.1	83.0	5.1	117.1	63.4	51.6	11.8	53.7
1963	590.5	375.0	87.1	5.9	122.5	64.2	50.8	13.5	58.2
1964	632.4	401.2	94.0	8.5	128.7	65.2	50.0	15.2	63.5
1965	684.9	432.8	108.1	6.9	137.0	66.9	50.1	16.8	70.1
1966	749.9	466.3	121.4	5.3	156.8	77.8	60.7	17.1	79.0
1967	793.5	492.3	116.0	5.2	180.1	90.7	72.4	18.4	89.3
1968	865.7	536.6	126.3	2.5	200.3	99.5	78.0	21.5	100.7
1969 p	932.3	576.0	139.6	2.1	214.7	102.0	79.3	22.8	112.7
	Seasonally adjusted annual rates								
1967: I	774.2	480.9	113.6	5.4	174.2	87.8	69.9	17.9	86.4
II	783.5	489.8	109.4	5.8	178.5	90.3	71.9	18.4	88.1
III	800.4	495.7	117.7	5.6	181.3	91.3	73.0	18.4	90.0
IV	816.1	502.6	123.3	3.8	186.4	93.5	74.6	18.9	92.9
1968: I	835.3	520.6	119.4	1.9	193.4	96.3	76.1	20.1	97.1
II	858.7	530.3	126.6	3.4	198.4	99.0	77.9	21.1	99.4
III	876.4	544.9	125.2	3.6	202.5	100.9	78.8	22.1	101.7
IV	892.5	550.7	133.9	1.2	206.7	101.9	79.3	22.5	104.8
1969: I	908.7	562.0	135.2	1.5	210.0	101.6	79.0	22.6	108.5
II	924.8	572.8	137.4	1.6	212.9	100.6	78.5	22.1	112.3
III	942.8	579.8	143.3	2.7	217.0	103.2	80.3	22.9	113.8
IV p	953.1	589.2	142.4	2.6	218.9	102.7	79.2	23.5	116.2

[1] See Table C–10 for detailed components.
[2] See Table C–11 for detailed components.
[3] See Table C–6 for exports and imports separately.
[4] Net of Government sales.
[5] This category corresponds closely to the national defense classification in the "Budget of the United States Government for the Fiscal Year ending June 30, 1971."

Source: Department of Commerce, Office of Business Economics.

TABLE C-2.—*Gross national product or expenditure, in 1958 prices, 1929–69*

[Billions of dollars, 1958 prices]

Year or quarter	Total gross national product	Personal consumption expenditures				Gross private domestic investment						
		Total	Durable goods	Nondurable goods	Services	Total	Fixed investment					Change in business inventories
							Total	Nonresidential			Residential structures	
								Total	Structures	Producers' durable equipment		
1929	203.6	139.6	16.3	69.3	54.0	40.4	36.9	26.5	13.9	12.6	10.4	3.5
1930	183.5	130.4	12.9	65.9	51.5	27.4	28.0	21.7	11.8	9.9	6.3	−.6
1931	169.3	126.1	11.2	65.6	49.4	16.8	19.2	14.1	7.5	6.6	5.1	−2.4
1932	144.2	114.8	8.4	60.4	45.9	4.7	10.9	8.2	4.4	3.8	2.7	−6.2
1933	141.5	112.8	8.3	58.6	46.0	5.3	9.7	7.6	3.3	4.3	2.1	−4.3
1934	154.3	118.1	9.4	62.5	46.1	9.4	12.1	9.2	3.6	5.6	2.9	−2.7
1935	169.5	125.5	11.7	65.9	47.9	18.0	15.6	11.5	4.0	7.5	4.0	2.4
1936	193.0	138.4	14.5	73.4	50.5	24.0	20.9	15.8	5.4	10.3	5.1	3.1
1937	203.2	143.1	15.1	76.0	52.0	29.9	24.5	18.8	7.1	11.8	5.6	5.5
1938	192.9	140.2	12.2	77.1	50.9	17.0	19.4	13.7	5.6	8.1	5.7	−2.4
1939	209.4	148.2	14.5	81.2	52.5	24.7	23.5	15.3	5.9	9.4	8.2	1.2
1940	227.2	155.7	16.7	84.6	54.4	33.0	28.1	18.9	6.8	12.1	9.2	4.9
1941	263.7	165.4	19.1	89.9	56.3	41.6	32.0	22.2	8.1	14.2	9.8	9.6
1942	297.8	161.4	11.7	91.3	58.5	21.4	17.3	12.5	4.6	7.9	4.9	4.0
1943	337.1	165.8	10.2	93.7	61.8	12.7	12.9	10.0	2.9	7.2	2.9	−.2
1944	361.3	171.4	9.4	97.3	64.7	14.0	15.9	13.4	3.8	9.6	2.5	−1.9
1945	355.2	183.0	10.6	104.7	67.7	19.6	22.6	19.8	5.7	14.1	2.8	−2.9
1946	312.6	203.5	20.5	110.8	72.1	52.3	42.3	30.2	12.5	17.7	12.1	10.0
1947	309.9	206.3	24.7	108.3	73.4	51.5	51.7	36.2	11.6	24.6	15.4	−.2
1948	323.7	210.8	26.3	108.7	75.8	60.4	55.9	38.0	12.3	25.7	17.9	4.6
1949	324.1	216.5	28.4	110.5	77.6	48.0	51.9	34.5	11.9	22.6	17.4	−3.9
1950	355.3	230.5	34.7	114.0	81.8	69.3	61.0	37.5	12.7	24.8	23.5	8.3
1951	383.4	232.8	31.5	116.5	84.8	70.0	59.0	39.6	14.1	25.5	19.5	10.9
1952	395.1	239.4	30.8	120.8	87.8	60.5	57.2	38.3	13.7	24.6	18.9	3.3
1953	412.8	250.8	35.3	124.4	91.1	61.2	60.2	40.7	14.9	25.8	19.6	.9
1954	407.0	255.7	35.4	125.5	94.8	59.4	61.4	39.6	15.2	24.5	21.7	−2.0
1955	438.0	274.2	43.2	131.7	99.3	75.4	69.0	43.9	16.2	27.7	25.1	6.4
1956	446.1	281.4	41.0	136.2	104.1	74.3	69.5	47.3	18.5	28.8	22.2	4.8
1957	452.5	288.2	41.5	138.7	108.0	68.8	67.6	47.4	18.2	29.1	20.2	1.2
1958	447.3	290.1	37.9	140.2	112.0	60.9	62.4	41.6	16.6	25.0	20.8	−1.5
1959	475.9	307.3	43.7	146.8	116.8	73.6	68.8	44.1	16.2	27.9	24.7	4.8
1960	487.7	316.1	44.9	149.6	121.6	72.4	68.9	47.1	17.4	29.6	21.9	3.5
1961	497.2	322.5	43.9	153.0	125.6	69.0	67.0	45.5	17.4	28.1	21.6	2.0
1962	529.8	338.4	49.2	158.2	131.1	79.4	73.4	49.7	17.9	31.7	23.8	6.0
1963	551.0	353.3	53.7	162.2	137.4	82.5	76.7	51.9	17.9	34.0	24.8	5.8
1964	581.1	373.7	59.0	170.3	144.4	87.8	81.9	57.8	19.1	38.7	24.2	5.8
1965	617.8	397.7	66.6	178.6	152.5	99.2	90.1	66.3	22.3	44.0	23.8	9.0
1966	658.1	418.1	71.7	187.0	159.4	109.3	95.4	74.1	24.0	50.1	21.3	13.9
1967	674.6	430.3	72.8	190.3	167.2	100.8	93.9	73.6	22.6	51.0	20.3	6.9
1968	707.6	452.6	80.7	196.9	175.0	105.7	99.1	75.8	22.7	53.2	23.3	6.6
1969 p	727.7	466.0	84.8	199.5	181.7	111.9	104.9	81.5	24.0	57.5	23.5	6.9
	Seasonally adjusted annual rates											
1967: I	666.5	424.4	70.3	190.2	163.9	100.5	92.0	74.1	23.8	50.3	17.9	8.5
II	670.5	430.5	73.9	190.6	166.1	95.7	92.6	73.5	22.1	51.4	19.0	3.1
III	678.0	431.9	73.0	190.3	168.6	101.6	94.3	73.1	22.3	50.8	21.2	7.4
IV	683.5	434.3	73.9	190.2	170.3	105.4	96.7	73.8	22.1	51.6	23.0	8.7
1968: I	693.3	445.6	77.7	196.0	171.8	101.2	99.8	77.1	23.6	53.5	22.7	1.5
II	705.8	449.0	79.5	195.8	173.7	106.6	97.6	74.0	22.0	52.0	23.5	9.0
III	712.8	458.2	83.0	198.7	176.5	104.1	97.7	75.0	22.2	52.7	22.7	6.4
IV	718.5	457.6	82.7	197.2	177.7	110.9	101.4	77.3	22.9	54.4	24.1	9.6
1969: I	723.1	462.9	84.3	199.3	179.3	109.9	104.0	79.4	23.9	55.5	24.6	5.9
II	726.7	466.2	85.9	199.3	181.0	110.8	104.8	81.0	23.3	57.7	23.8	6.0
III	730.6	466.5	84.7	199.3	182.5	114.3	105.0	82.4	24.6	57.8	22.6	9.3
IV p	730.5	468.5	84.1	200.2	184.1	112.6	106.0	83.2	24.2	59.0	22.8	6.7

See footnotes at end of table.

TABLE C-2.—*Gross national product or expenditure, in 1958 prices, 1929–69*—Continued

[Billions of dollars, 1958 prices]

Year or quarter	Net exports of goods and services			Government purchases of goods and services [1]		
	Net exports	Exports	Imports	Total	Federal	State and local
1929	1.5	11.8	10.3	22.0	3.5	18.5
1930	1.4	10.4	9.0	24.3	4.0	20.2
1931	.9	8.9	7.9	25.4	4.3	21.1
1932	.6	7.1	6.6	24.2	4.6	19.6
1933	.0	7.1	7.1	23.3	6.0	17.3
1934	.3	7.3	7.1	26.6	8.0	18.6
1935	−1.0	7.7	8.7	27.0	7.9	19.2
1936	−1.2	8.2	9.3	31.8	12.2	19.6
1937	−.7	9.8	10.5	30.8	11.5	19.4
1938	1.9	9.9	8.0	33.9	13.3	20.6
1939	1.3	10.0	8.7	35.2	12.5	22.7
1940	2.1	11.0	8.9	36.4	15.0	21.4
1941	.4	11.2	10.8	56.3	36.2	20.1
1942	−2.1	7.8	9.9	117.1	98.9	18.3
1943	−5.9	6.8	12.6	164.4	147.8	16.6
1944	−5.8	7.6	13.4	181.7	165.4	16.3
1945	−3.8	10.2	13.9	156.4	139.7	16.7
1946	8.4	19.6	11.2	48.4	30.1	18.4
1947	12.3	22.6	10.3	39.9	19.1	20.8
1948	6.1	18.1	12.0	46.3	23.7	22.7
1949	6.4	18.1	11.7	53.3	27.6	25.7
1950	2.7	16.3	13.6	52.8	25.3	27.5
1951	5.3	19.3	14.1	75.4	47.4	27.9
1952	3.0	18.2	15.2	92.1	63.8	28.4
1953	1.1	17.8	16.7	99.8	70.0	29.7
1954	3.0	18.8	15.8	88.9	56.8	32.1
1955	3.2	20.9	17.7	85.2	50.7	34.4
1956	5.0	24.2	19.1	85.3	49.7	35.6
1957	6.2	26.2	19.9	89.3	51.7	37.6
1958	2.2	23.1	20.9	94.2	53.6	40.6
1959	.3	23.8	23.5	94.7	52.5	42.2
1960	4.3	27.3	23.0	94.9	51.4	43.5
1961	5.1	28.0	22.9	100.5	54.6	45.9
1962	4.5	30.0	25.5	107.5	60.0	47.5
1963	5.6	32.1	26.6	109.6	59.5	50.1
1964	8.3	36.5	28.2	111.2	58.1	53.2
1965	6.2	37.4	31.2	114.7	57.9	56.8
1966	4.2	40.2	36.1	126.5	65.4	61.1
1967	3.6	42.1	38.5	140.0	74.8	65.2
1968	.9	45.6	44.7	148.4	78.9	69.5
1969 p	.0	48.4	48.4	149.8	76.1	73.7
	Seasonally adjusted annual rates					
1967: I	4.0	41.8	37.8	137.6	72.8	64.8
II	4.2	41.9	37.8	140.1	75.1	65.0
III	4.1	42.2	38.1	140.4	75.5	64.9
IV	2.0	42.5	40.5	141.7	75.7	66.0
1968: I	.9	43.9	43.0	145.6	77.3	68.3
II	1.3	45.2	43.9	148.9	79.6	69.3
III	1.7	48.0	46.3	148.8	79.2	69.6
IV	−.2	45.5	45.7	150.2	79.4	70.8
1969: I	−.3	41.9	42.2	150.6	78.3	72.3
II	−.5	50.4	50.8	150.2	76.3	73.9
III	.4	50.2	49.8	149.4	75.5	73.9
IV p	.3	51.3	50.9	149.0	74.4	74.7

[1] Net of Government sales.

Source: Department of Commerce, Office of Business Economics.

Table C–3.—*Implicit price deflators for gross national product, 1929–69*

[Index numbers, 1958=100]

Year or quarter	Total gross national product [1]	Personal consumption expenditures				Gross private domestic investment [1]				
						Fixed investment				
							Nonresidential			Residential structures
		Total	Durable goods	Nondurable goods	Services	Total	Total	Structures	Producers' durable equipment	
1929	50.6	55.3	56.4	54.5	56.1	39.4	39.9	35.7	44.6	38.1
1930	49.3	53.6	55.3	51.6	55.7	37.9	38.1	34.0	43.0	37.1
1931	44.8	47.9	49.1	44.1	52.7	35.2	35.8	31.1	41.1	33.6
1932	40.2	42.3	43.2	37.7	48.3	31.6	32.9	27.6	39.1	27.3
1933	39.3	40.6	41.9	38.0	43.6	30.6	31.6	27.9	34.5	27.1
1934	42.2	43.5	44.7	42.7	44.3	33.7	34.9	28.9	38.8	30.1
1935	42.6	44.4	43.7	44.5	44.4	34.3	35.9	30.6	38.7	29.8
1936	42.7	44.7	43.6	44.8	45.0	34.6	35.6	30.2	38.5	31.3
1937	44.5	46.5	45.8	46.4	46.8	37.8	38.8	34.4	41.4	34.3
1938	43.9	45.6	46.7	44.0	47.7	38.2	39.3	33.9	43.0	35.5
1939	43.2	45.1	46.0	43.2	47.7	37.7	38.7	33.1	42.2	35.7
1940	43.9	45.5	46.5	43.8	47.9	39.0	40.0	33.9	43.4	36.9
1941	47.2	48.7	50.4	47.7	49.8	42.0	42.7	36.4	46.3	40.3
1942	53.0	54.8	59.3	55.6	52.7	46.5	47.8	41.3	51.5	43.3
1943	56.8	59.9	64.2	62.5	55.3	49.3	49.9	46.8	51.1	47.0
1944	58.2	63.2	71.5	66.2	57.5	51.1	51.0	48.6	51.9	51.6
1945	59.7	65.4	75.9	68.7	58.7	51.5	51.0	49.2	51.7	54.9
1946	66.7	70.5	76.8	74.3	62.7	58.5	56.3	54.4	57.5	59.7
1947	74.6	77.9	82.7	83.6	67.9	66.7	64.5	64.4	64.6	71.7
1948	79.6	82.3	86.3	88.5	72.1	73.9	70.7	71.5	70.3	80.8
1949	79.1	81.7	86.8	85.6	74.3	74.7	72.8	71.2	73.6	78.5
1950	80.2	82.9	87.8	86.0	76.3	77.5	74.4	72.9	75.2	82.5
1951	85.6	88.6	94.2	93.3	80.0	83.1	80.4	79.3	80.9	88.6
1952	87.5	90.5	95.4	94.3	83.6	85.3	82.6	83.2	82.2	90.8
1953	88.3	91.7	94.3	93.9	87.7	86.6	84.0	84.9	83.5	91.9
1954	89.6	92.5	92.9	94.2	90.0	86.8	84.8	86.0	84.0	90.4
1955	90.9	92.8	91.9	93.6	92.0	89.0	86.7	88.1	85.9	92.9
1956	94.0	94.8	94.9	94.9	94.6	94.0	92.4	93.4	91.8	97.4
1957	97.5	97.7	98.4	97.7	97.3	98.5	97.9	98.6	97.5	99.8
1958	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1959	101.6	101.3	101.4	99.9	103.0	102.6	102.2	102.7	102.0	103.1
1960	103.3	102.9	100.9	101.2	105.8	103.4	102.9	104.0	102.2	104.5
1961	104.6	103.9	100.6	101.9	107.6	103.9	103.4	105.6	102.1	105.0
1962	105.8	104.9	100.8	102.8	109.0	104.9	104.1	107.1	102.3	106.7
1963	107.2	106.1	100.4	104.0	110.9	106.0	104.5	108.9	102.3	108.9
1964	108.8	107.4	100.4	104.9	113.1	107.6	105.7	111.1	103.0	112.3
1965	110.9	108.8	99.6	106.9	115.1	109.3	107.5	114.7	103.9	114.2
1966	113.9	111.5	98.7	110.7	118.3	111.8	110.2	118.9	106.0	117.4
1967	117.6	114.4	100.3	113.0	122.1	115.7	113.7	123.6	109.2	123.1
1968	122.3	118.6	103.3	117.1	127.3	120.0	117.1	129.3	111.9	129.7
1969 p	128.1	123.6	105.7	122.2	133.5	125.3	121.9	139.1	114.7	137.4
1967: I	116.2	113.3	99.6	112.1	120.6	113.8	112.4	121.8	107.9	119.7
II	116.9	113.8	99.5	112.5	121.5	114.6	112.9	122.8	108.6	121.4
III	118.1	114.8	100.5	113.4	122.5	116.6	114.2	124.6	109.7	124.8
IV	119.4	115.7	101.7	114.0	123.7	117.7	115.2	125.5	110.8	125.6
1968: I	120.5	116.8	102.3	115.3	125.2	118.0	115.7	126.5	110.9	126.0
II	121.7	118.1	102.9	116.7	126.6	119.6	116.7	128.7	111.6	128.7
III	122.9	118.9	103.4	117.5	127.9	120.8	117.6	130.6	112.1	131.5
IV	124.2	120.4	104.5	118.8	129.5	121.7	118.4	131.4	113.0	132.4
1969: I	125.7	121.4	104.9	119.8	131.0	123.7	120.1	135.3	113.5	135.3
II	127.3	122.9	105.5	121.5	132.7	124.5	120.8	137.8	113.9	137.1
III	129.0	124.3	106.0	123.0	134.2	126.2	122.7	141.0	114.9	138.8
IV p	130.5	125.8	106.6	124.6	135.9	127.0	123.8	142.2	116.3	138.5

See footnotes at end of table.

TABLE C-3.—*Implicit price deflators for gross national product, 1929–69*—Continued

[Index numbers, 1958=100]

Year or quarter	Exports and imports of goods and services [1]		Government purchases of goods and services			Gross national product by sector	
	Exports	Imports	Total	Federal	State and local	Private [2]	General government
1929	59.5	57.3	38.6	36.0	39.1	51.7	34.1
1930	52.3	49.0	37.9	34.1	38.7	50.4	34.1
1931	41.0	39.3	36.3	34.5	36.6	45.7	34.5
1932	34.7	31.5	33.4	31.9	33.8	40.9	33.7
1933	33.7	28.8	34.5	33.1	35.0	39.9	33.5
1934	40.6	33.6	36.8	37.4	36.6	43.0	34.8
1935	42.3	36.0	37.0	37.0	37.0	43.5	34.7
1936	43.4	36.7	37.6	40.5	35.9	43.4	36.5
1937	46.5	40.7	38.4	40.7	37.1	45.3	36.5
1938	43.8	37.9	38.3	40.5	36.8	44.6	37.4
1939	44.1	38.6	37.9	40.8	36.3	43.9	36.8
1940	48.6	40.8	38.5	40.2	37.3	44.7	36.0
1941	53.0	43.0	44.0	46.6	39.2	48.7	34.7
1942	61.5	48.3	50.9	52.5	42.3	55.5	37.3
1943	65.2	51.2	53.9	54.9	44.6	60.9	39.7
1944	69.9	53.2	53.1	53.8	46.1	62.0	43.3
1945	71.3	56.4	52.6	53.1	48.6	62.6	48.3
1946	75.4	64.9	55.8	57.3	53.2	68.2	55.4
1947	87.3	79.4	62.9	65.6	60.4	76.3	58.5
1948	92.7	86.4	68.1	69.8	66.4	81.4	60.8
1949	87.0	82.2	71.0	73.0	68.9	80.6	64.7
1950	84.9	88.7	71.8	72.9	70.8	81.4	67.1
1951	97.0	107.2	78.5	79.4	76.9	87.4	70.5
1952	98.8	103.6	81.0	81.2	80.6	89.0	74.4
1953	95.2	99.1	81.8	81.4	82.8	89.6	76.6
1954	94.3	100.8	84.1	83.5	85.3	90.8	79.5
1955	94.9	100.6	87.1	86.9	87.5	91.6	84.0
1956	97.5	102.5	92.1	91.7	92.7	94.5	88.7
1957	101.3	104.0	96.4	95.8	97.3	97.9	93.3
1958	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1959	98.8	99.3	102.4	102.2	102.6	101.4	104.2
1960	99.9	101.0	105.0	104.2	105.9	102.8	108.6
1961	101.9	100.1	107.1	105.2	109.4	103.7	113.6
1962	100.8	98.5	109.0	105.6	113.2	104.7	116.6
1963	100.6	99.5	111.8	108.0	116.3	105.8	121.5
1964	101.5	101.5	115.7	112.2	119.5	107.0	128.4
1965	104.7	103.4	119.4	115.5	123.5	108.8	133.5
1966	107.7	105.6	124.0	118.8	129.4	111.6	140.3
1967	109.7	106.5	128.7	121.3	137.1	114.8	148.1
1968	110.9	107.6	135.0	126.2	145.0	118.9	159.4
1969 p	114.4	110.0	143.3	134.1	152.9	124.2	170.6
1967: I	109.7	106.9	126.6	120.5	133.4	113.5	144.5
II	109.6	106.3	127.4	120.3	135.6	114.1	146.5
III	109.7	106.8	129.2	121.0	138.7	115.2	148.4
IV	109.8	105.9	131.5	123.5	140.7	116.3	153.1
1968: I	108.9	106.7	132.8	124.5	142.3	117.2	155.7
II	112.1	107.8	133.3	124.5	143.4	118.4	156.9
III	111.3	107.5	136.2	127.4	146.2	119.4	161.3
IV	111.3	108.2	137.6	128.3	148.1	120.6	163.6
1969: I	113.5	109.2	139.5	129.8	150.1	122.0	165.6
II	113.4	109.2	141.8	131.9	151.9	123.6	167.5
III	115.2	110.8	145.3	136.8	153.9	125.0	173.7
IV p	115.2	110.8	146.9	138.1	155.6	126.4	175.3

[1] Separate deflators are not available for total gross private domestic investment, change in business inventories, and net exports of goods and services.
[2] Gross national product less compensation of general government employees. See also Tables C-7 and C-8.

Source: Department of Commerce, Office of Business Economics.

TABLE C–4.—*Gross national product by major type of product, 1929–69*

[Billions of dollars]

Year or quarter	Total gross national product	Final sales	Inventory change	Goods output: Total: Total	Goods output: Total: Final sales	Goods output: Total: Inventory change	Goods output: Durable goods: Total	Goods output: Durable goods: Final sales	Goods output: Durable goods: Inventory change	Goods output: Nondurable goods: Total	Goods output: Nondurable goods: Final sales	Goods output: Nondurable goods: Inventory change	Services	Structures	Gross auto product
1929	103.1	101.4	1.7	56.1	54.3	1.7	17.5	16.1	1.4	38.5	38.2	0.3	35.6	11.4	-----
1930	90.4	90.7	−.4	46.9	47.3	−.4	11.4	12.5	−1.0	35.5	34.8	.7	34.2	9.2	-----
1931	75.8	77.0	−1.1	37.4	38.6	−1.1	7.7	9.0	−1.2	29.7	29.6	.1	31.7	6.7	-----
1932	58.0	60.5	−2.5	26.7	29.2	−2.5	3.6	5.7	−2.0	23.1	23.6	−.4	27.5	3.8	-----
1933	55.6	57.2	−1.6	27.0	28.6	−1.6	4.9	5.4	−.5	22.1	23.2	−1.1	25.7	2.9	-----
1934	65.1	65.8	−.7	34.4	35.1	−.7	7.4	7.3	.1	27.0	27.8	−.9	27.1	3.5	-----
1935	72.2	71.2	1.1	39.9	38.8	1.1	9.3	8.9	.3	30.6	29.9	.7	28.3	4.0	-----
1936	82.5	81.2	1.3	45.8	44.5	1.3	12.2	11.2	.9	33.6	33.3	.3	31.0	5.6	-----
1937	90.4	87.9	2.5	51.5	48.9	2.5	13.9	13.1	.8	37.6	35.8	1.8	32.3	6.7	-----
1938	84.7	85.6	−.9	45.3	46.2	−.9	9.9	10.8	−.9	35.4	35.4	.0	33.2	6.2	-----
1939	90.5	90.1	.4	49.0	48.6	.4	12.7	12.4	.3	36.3	36.2	.1	34.0	7.5	-----
1940	99.7	97.5	2.2	56.0	53.8	2.2	16.6	15.4	1.2	39.3	38.4	1.0	35.4	8.3	-----
1941	124.5	120.1	4.5	72.5	68.0	4.5	26.8	23.8	3.0	45.6	44.2	1.4	40.3	11.8	-----
1942	157.9	156.2	1.8	93.6	91.9	1.8	35.5	34.5	1.0	58.1	57.4	.7	50.3	14.0	-----
1943	191.6	192.2	−.6	120.4	121.0	−.6	54.2	54.2	.0	66.2	66.8	−.6	62.5	8.7	-----
1944	210.1	211.1	−1.0	132.3	133.3	−1.0	57.9	58.5	−.6	74.4	74.8	−.3	71.8	6.1	-----
1945	211.9	213.0	−1.0	128.9	129.9	−1.0	48.9	50.2	−1.3	80.0	79.7	.2	76.5	6.5	-----
1946	208.5	202.1	6.4	124.9	118.5	6.4	36.9	31.6	5.3	88.0	86.9	1.1	68.0	15.6	-----
1947	231.3	231.8	−.5	139.7	140.1	−.5	46.0	44.3	1.7	93.7	95.9	−2.2	70.2	21.4	7.2
1948	257.6	252.9	4.7	154.2	149.4	4.7	48.7	48.0	.7	105.5	101.5	4.0	75.7	27.7	8.8
1949	256.5	259.6	−3.1	147.5	150.5	−3.1	47.8	49.9	−2.1	99.7	100.6	−1.0	80.8	28.3	11.9
1950	284.8	278.0	6.8	162.4	155.6	6.8	60.4	56.3	4.1	102.0	99.3	2.7	87.0	35.4	15.4
1951	328.4	318.1	10.3	189.7	179.4	10.3	73.7	66.8	6.9	116.0	112.6	3.4	101.2	37.5	13.5
1952	345.5	342.4	3.1	195.6	192.5	3.1	74.6	73.5	1.1	121.0	119.1	2.0	110.8	39.1	12.0
1953	364.6	364.1	.4	204.1	203.7	.4	79.4	78.5	.9	124.8	125.2	−.5	118.8	41.7	16.3
1954	364.8	366.4	−1.5	197.1	198.6	−1.5	72.1	74.6	−2.5	125.0	124.1	1.0	123.5	44.2	14.6
1955	398.0	392.0	6.0	216.4	210.4	6.0	85.7	82.7	3.0	130.7	127.7	2.9	132.6	49.0	21.2
1956	419.2	414.5	4.7	225.4	220.7	4.7	90.3	87.5	2.8	135.1	133.2	1.9	142.3	51.5	16.9
1957	441.1	439.8	1.3	234.6	233.3	1.3	94.4	93.1	1.3	140.2	140.2	.0	154.2	52.3	19.5
1958	447.3	448.8	−1.5	230.8	232.3	−1.5	83.6	86.4	−2.8	147.2	145.9	1.3	163.4	53.1	14.5
1959	483.7	478.9	4.8	249.1	244.4	4.8	95.6	93.2	2.3	153.6	151.1	2.4	176.2	58.3	19.1
1960	503.7	500.2	3.6	259.6	256.0	3.6	99.5	97.4	2.1	160.1	158.6	1.5	187.3	56.8	21.4
1961	520.1	518.1	2.0	262.3	260.2	2.0	96.5	96.6	−.1	165.8	163.7	2.1	199.5	58.3	17.9
1962	560.3	554.3	6.0	284.5	278.5	6.0	109.0	106.2	2.8	175.5	172.2	3.2	213.3	62.6	22.5
1963	590.5	584.6	5.9	298.6	292.7	5.9	116.1	113.3	2.8	182.5	179.4	3.1	226.2	65.7	25.1
1964	632.4	626.6	5.8	319.4	313.6	5.8	127.0	122.8	4.2	192.4	190.7	1.6	244.2	68.8	25.8
1965	684.9	675.3	9.6	347.2	337.6	9.6	139.6	133.0	6.7	207.6	204.7	3.0	262.9	74.8	31.8
1966	749.9	735.1	14.8	383.3	368.5	14.8	156.7	146.2	10.5	226.6	222.3	4.3	289.1	77.5	30.0
1967	793.5	786.2	7.4	398.4	391.0	7.4	160.9	157.0	3.9	237.5	234.1	3.5	316.7	78.4	28.6
1968	865.7	858.4	7.3	431.1	423.7	7.3	176.7	171.4	5.3	254.4	252.3	2.0	347.5	87.1	35.9
1969 p	932.3	924.3	8.0	459.9	451.8	8.0	192.3	186.1	6.2	267.5	265.7	1.8	377.5	95.0	36.5
	Seasonally adjusted annual rates														
1967: I	774.2	765.2	9.0	391.5	382.5	9.0	156.1	151.9	4.2	235.4	230.7	4.7	306.4	76.3	26.1
II	783.5	780.2	3.4	395.9	392.5	3.4	159.9	158.3	1.5	236.0	234.2	1.8	312.0	75.6	28.8
III	800.4	792.6	7.8	401.1	393.3	7.8	162.2	157.7	4.4	238.9	235.5	3.4	320.1	79.3	28.7
IV	816.1	806.6	9.5	405.3	395.8	9.5	165.5	160.0	5.6	239.8	235.9	3.9	328.4	82.4	30.9
1968: I	835.3	833.6	1.6	414.5	412.8	1.6	168.3	166.4	1.9	246.2	246.5	−.3	335.0	85.8	34.0
II	858.7	848.8	9.9	429.2	419.3	9.9	175.7	168.9	6.8	253.5	250.4	3.1	343.4	86.0	36.3
III	876.4	869.2	7.2	437.0	429.9	7.2	178.8	173.7	5.1	258.3	256.1	2.1	353.2	86.1	36.0
IV	892.5	882.0	10.5	443.5	433.0	10.5	184.0	176.6	7.4	259.5	256.4	3.1	358.5	90.6	37.5
1969: I	908.7	902.1	6.6	447.9	441.3	6.6	186.4	181.6	4.8	261.5	259.7	1.8	365.8	94.9	37.5
II	924.8	917.9	6.9	456.5	449.6	6.9	190.3	185.5	4.9	266.2	264.1	2.1	373.4	94.8	34.5
III	942.8	932.0	10.7	465.9	455.2	10.7	195.4	187.8	7.6	270.5	267.4	3.1	381.6	95.3	38.0
IV p	953.1	945.3	7.8	469.0	461.2	7.8	197.1	189.7	7.4	271.9	271.5	.4	389.0	95.1	35.9

Source: Department of Commerce, Office of Business Economics.

TABLE C–5.—*Gross national product by major type of product, in 1958 prices, 1929–69*

[Billions of dollars, 1958 prices]

Year or quarter	Total gross national product	Final sales	Inventory change	Goods output									Services	Structures	Gross auto product
				Total			Durable goods			Nondurable goods					
				Total	Final sales	Inventory change	Total	Final sales	Inventory change	Total	Final sales	Inventory change			
1929	203.6	200.1	3.5	103.9	100.4	3.5	33.6	30.9	2.7	70.4	69.5	0.8	69.3	30.3	......
1930	183.5	184.1	−.6	90.5	91.1	−.6	22.4	24.5	−2.1	68.0	66.5	1.5	67.7	25.3	......
1931	169 3	171.7	−2.4	83.2	85.7	−2.4	16.3	19.2	−3.0	67.0	66 5	.5	65.8	20.2	......
1932	144.2	150.5	−6.2	68.7	74.9	−6.2	8.3	13.4	−5.1	60.4	61.5	−1.1	61.9	13.7	......
1933	141.5	145.9	−4.3	68.8	73.2	−4.3	11.7	13.4	−1.7	57.1	59.8	−2.7	63.0	9.8	......
1934	154.3	157.0	−2.7	77.9	80.5	−2.7	16.9	16.7	.2	61.0	63.8	−2.8	65.3	11.1	......
1935	169.5	167.1	2.4	88.6	86.2	2.4	21.5	20.6	.9	67.1	65.6	1.5	68.1	12.8	......
1936	193.0	189.9	3.1	102.2	99.1	3.1	28.7	26.3	2.4	73.5	72.8	.7	73.3	17.5	......
1937	203.2	197.8	5.5	110.2	104.8	5.5	31.0	29.1	1.9	79.2	75.7	3.6	73.9	19.1	......
1938	192.9	195.3	−2.4	100.5	102.9	−2.4	21.1	23.4	−2.3	79.4	79.5	−.1	74.8	17.7	......
1939	209.4	208.2	1.2	110.7	109.5	1.2	27.6	27.0	.6	83.0	82.5	.6	76.9	21.8	......
1940	227.2	222.3	4.9	124.0	119.0	4.9	35.6	32.8	2.7	88.4	86.2	2.2	80.0	23.2	......
1941	263.7	254.1	9.6	143.4	133.8	9.6	50.0	43.5	6.6	93.4	90.3	3.1	89.8	30.5	......
1942	297.8	293.8	4.0	158.1	154.1	4.0	57.2	54.4	2.9	100.9	99.7	1.2	107.7	31.9	......
1943	337.1	337.3	−.2	187.4	187.6	−.2	85.6	85.2	.4	101.7	102.4	−.6	131.8	17.9	......
1944	361.3	363.2	−1.9	204.8	206.7	−1.9	95.9	97.4	−1.5	108.8	109.3	−.4	144.0	12.4	......
1945	355.2	358.2	−2.9	198.0	201.0	−2.9	84.3	87.4	−3.1	113.7	113.6	.2	144.3	12.9	......
1946	312.6	302.6	10.0	172.1	162.1	10.0	54.7	46.1	8.6	117.4	116.0	1.4	113.3	27.2	......
1947	309.9	310.1	−.2	172.2	172.4	−.2	60.1	58.6	1.5	112.2	113.8	−1.7	106.5	31.2	10.3
1948	323.7	319.1	4.6	178.4	173.8	4.6	61.3	60.0	1.2	117.1	113.8	3.3	109.3	36.1	11.4
1949	324.1	328.1	−3.9	174.2	178.1	−3.9	58.0	61.0	−3.0	116.2	117.1	−.9	112.4	37.5	14.8
1950	355.3	347.0	8.3	192.6	184.3	8.3	73.4	68.3	5.2	119.1	116.0	3.1	117.5	45.2	19.1
1951	383.4	372.5	10.9	208.4	197.5	10.9	84.1	76.1	8.0	124.3	121.4	2.9	130.5	44.4	15.9
1952	395.1	391.8	3.3	214.0	210.7	3.3	84.6	83.2	1.5	129.4	127.6	1.8	136.3	44.7	13.5
1953	412.8	411.8	.9	225.4	224.5	.9	91.0	89.9	1.2	134.4	134.6	−.2	140.3	47.0	18.7
1954	407.0	409.0	−2.0	215.1	217.1	−2.0	81.9	84.8	−3.0	133.2	132.3	.9	141.8	50.2	17.1
1955	438.0	431.6	6.4	236.1	229.7	6.4	96.5	93.0	3.4	139.7	136.7	3.0	147.5	54.3	24.6
1956	446.1	441.2	4.8	239.0	234.2	4.8	96.5	93.5	3.0	142.5	140.7	1.8	153.0	54.0	18.6
1957	452.5	451.2	1.2	239.8	238.5	1.2	96.2	95.0	1.2	143.6	143.6	.0	160.1	52.6	20.2
1958	447.3	448.8	−1.5	230.8	232.3	−1.5	83.6	86.4	−2.8	147.2	145.9	1.3	163.4	53.1	14.5
1959	475.9	471.1	4.8	247.7	242.9	4.8	94.0	91.6	2.4	153.7	151.2	2.5	171.2	57.0	18.5
1960	487.7	484.2	3.5	256.0	252.6	3.5	97.8	95.9	2.0	158.2	156.7	1.5	176.6	55.0	21.0
1961	497.2	495.2	2.0	257.3	255.3	2.0	94.9	94.9	.0	162.3	160.3	2.0	184.0	55.8	17.5
1962	529.8	523.8	6.0	277.3	271.3	6.0	107.0	104.1	2.8	170.3	167.2	3.1	193.7	58.8	22.0
1963	551.0	545.2	5.8	289.7	283.9	5.8	114.2	111.4	2.8	175.6	172.5	3.1	200.9	60.4	24.7
1964	581.1	575.2	5.8	308.6	302.8	5.8	124.6	120.4	4.1	184.1	182.3	1.7	210.8	61.6	25.5
1965	617.8	608.8	9.0	330.7	321.7	9.0	136.5	130.1	6.5	194.2	191.6	2.6	221.9	65.2	31.8
1966	658.1	644.2	13.9	356.8	342.9	13.9	151.8	141.9	9.8	205.1	201.0	4.1	236.3	65.0	30.6
1967	674.6	667.7	6.9	362.7	355.7	6.9	152.0	148.5	3.5	210.7	207.3	3.4	249 1	62.9	28.7
1968	707.6	701.0	6.6	381.3	374.7	6.6	162.8	158.0	4.7	218.6	216.7	1.9	259.9	66.4	35.1
1969 p	727.7	720.8	6.9	392.7	385.7	6.9	172.4	167.1	5.3	220.3	218.6	1.6	267.3	67.7	34.9
	Seasonally adjusted annual rates														
1967: I	666.5	658.0	8.5	359.2	350.7	8.5	148.8	145.0	3.8	210.4	205.7	4.7	244.8	62.5	26.6
II	670.5	667.4	3.1	362.3	359.2	3.1	152.1	150.8	1.3	210.2	208.4	1.8	246.9	61.3	29.3
III	678.0	670.7	7.4	364.2	356.8	7.4	153.0	148.9	4.1	211.2	207.9	3.3	251.0	62.9	28.5
IV	683.5	674.8	8.7	365.0	356.3	8.7	154.1	149.2	4.9	210.9	207.1	3.8	253.7	64.9	30.4
1968: I	693.3	691.8	1.5	370.8	369.4	1.5	156.6	154.8	1.7	214.3	214.6	−.3	255.4	67.1	33.4
II	705.8	696.8	9.0	380.8	371.7	9.0	162.3	156.2	6.1	218.4	215.5	2.9	258.9	66.2	35.6
III	712.8	706.3	6.4	385.5	379.1	6.4	164.5	159.9	4.5	221.1	219.2	1.9	262.4	64.8	35.2
IV	718.5	709.0	9.6	388.2	378.7	9.6	167.8	161.2	6.5	220.5	217.5	3.0	262.7	67.5	36.2
1969: I	723.1	717.2	5.9	389.1	383.2	5.9	169.0	164.8	4.2	220.2	218.4	1.7	264.6	69.3	36.2
II	726.7	720.7	6.0	391.6	385.7	6.0	171.4	167.3	4.1	220.2	218.4	1.9	267.0	68.0	33.0
III	730.6	721.3	9.3	395.9	386.6	9.3	174.7	168.1	6.6	221.2	218.5	2.7	267.6	67.1	36.4
IV p	730.5	723.8	6.7	394.1	387.5	6.7	174.6	168.3	6.3	219.5	219.2	.3	269.8	66.5	34.2

Source: Department of Commerce, Office of Business Economics.

TABLE C-6.—*Gross national product: Receipts and expenditures by major economic groups, 1929–69*

[Billions of dollars]

Year or quarter	Persons: Disposable personal income: Total [1]	Persons: Disposable personal income: Less: Interest paid and transfer payments to foreigners	Persons: Disposable personal income: Equals: Total excluding interest and transfers	Persons: Personal consumption expenditures	Persons: Personal saving or dissaving (−)	Government: Net receipts: Tax and nontax receipts or accruals	Government: Net receipts: Less: Transfers, interest, and subsidies [2]	Government: Net receipts: Equals: Net receipts	Government: Expenditures: Total expenditures	Government: Expenditures: Less: Transfers, interest, and subsidies [2]	Government: Expenditures: Equals: Purchases of goods and services	Government: Surplus or deficit (−), national income and product accounts
1929	83.3	1.9	81.4	77.2	4.2	11.3	1.8	9.5	10.3	1.8	8.5	1.0
1930	74.5	1.2	73.3	69.9	3.4	10.8	1.9	8.9	11.1	1.9	9.2	−.3
1931	64.0	.9	63.1	60.5	2.6	9.5	3.1	6.3	12.4	3.1	9.2	−2.9
1932	48.7	.7	48.0	48.6	−.6	8.9	2.6	6.3	10.6	2.6	8.1	−1.8
1933	45.5	.7	44.9	45.8	−.9	9.3	2.7	6.7	10.7	2.7	8.0	−1.4
1934	52.4	.6	51.7	51.3	.4	10.5	3.1	7.4	12.9	3.1	9.8	−2.4
1935	58.5	.7	57.8	55.7	2.1	11.4	3.4	8.0	13.4	3.4	10.0	−2.0
1936	66.3	.8	65.5	61.9	3.6	12.9	4.1	8.8	16.1	4.1	12.0	−3.1
1937	71.2	.9	70.3	66.5	3.8	15.4	3.2	12.2	15.0	3.2	11.9	.3
1938	65.5	.8	64.6	63.9	.7	15.0	3.8	11.2	16.8	3.8	13.0	−1.8
1939	70.3	.9	69.4	66.8	2.6	15.4	4.2	11.2	17.6	4.2	13.3	−2.2
1940	75.7	1.0	74.7	70.8	3.8	17.7	4.4	13.3	18.4	4.4	14.0	−.7
1941	92.7	1.1	91.6	80.6	11.0	25.0	4.0	21.0	28.8	4.0	24.8	−3.8
1942	116.9	.8	116.1	88.5	27.6	32.6	4.4	28.2	64.0	4.4	59.6	−31.4
1943	133.5	.8	132.7	99.3	33.4	49.2	4.7	44.4	93.3	4.7	88.6	−44.1
1944	146.3	.8	145.5	108.3	37.3	51.2	6.5	44.7	103.0	6.5	96.5	−51.8
1945	150.2	1.0	149.3	119.7	29.6	53.2	10.4	42.8	92.7	10.4	82.3	−39.5
1946	160.0	1.4	158.6	143.4	15.2	50.9	18.5	32.4	45.5	18.5	27.0	5.4
1947	169.8	1.8	168.0	160.7	7.3	56.8	17.3	39.5	42.4	17.3	25.1	14.4
1948	189.1	2.2	186.9	173.6	13.4	58.9	18.8	40.1	50.3	18.8	31.6	8.5
1949	188.6	2.4	186.2	176.8	9.4	56.0	21.3	34.7	59.1	21.3	37.8	−3.2
1950	206.9	2.9	204.1	191.0	13.1	68.7	22.9	45.8	60.8	22.9	37.9	7.8
1951	226.6	3.1	223.5	206.3	17.3	84.8	19.9	64.9	79.0	19.9	59.1	5.8
1952	238.3	3.5	234.8	216.7	18.1	89.8	19.0	70.8	93.7	19.0	74.7	−3.8
1953	252.6	4.3	248.3	230.0	18.3	94.3	19.5	74.8	101.2	19.5	81.6	−6.9
1954	257.4	4.6	252.9	236.5	16.4	89.7	21.9	67.8	96.7	21.9	74.8	−7.0
1955	275.3	5.1	270.2	254.4	15.8	100.4	23.4	76.9	97.6	23.4	74.2	2.7
1956	293.2	5.9	287.2	266.7	20.6	109.0	25.5	83.5	104.1	25.5	78.6	4.9
1957	308.5	6.4	302.2	281.4	20.7	115.6	28.7	86.8	114.9	28.7	86.1	.7
1958	318.8	6.5	312.3	290.1	22.3	114.7	33.0	81.6	127.2	33.0	94.2	−12.5
1959	337.3	7.1	330.3	311.2	19.1	128.9	34.0	95.0	131.0	34.0	97.0	−2.1
1960	350.0	7.8	342.3	325.2	17.0	139.8	36.5	103.3	136.1	36.5	99.6	3.7
1961	364.4	8.1	356.3	335.2	21.2	144.6	41.3	103.3	149.0	41.3	107.6	−4.3
1962	385.3	8.6	376.6	355.1	21.6	157.0	42.8	114.2	159.9	42.8	117.1	−2.9
1963	404.6	9.7	394.9	375.0	19.9	168.8	44.4	124.3	166.9	44.4	122.5	1.8
1964	438.1	10.7	427.4	401.2	26.2	174.1	46.7	127.3	175.4	46.7	128.7	−1.4
1965	473.2	12.0	461.3	432.8	28.4	189.1	49.9	139.2	186.9	49.9	137.0	2.2
1966	511.9	13.0	498.9	466.3	32.5	213.3	55.5	157.9	212.3	55.5	156.8	1.1
1967	546.5	13.9	532.6	492.3	40.4	228.4	62.8	165.6	242.9	62.8	180.1	−14.5
1968	590.0	15.0	575.0	536.6	38.4	264.2	70.6	193.6	270.8	70.6	200.3	−6.7
1969ᵖ	629.6	16.0	613.6	576.0	37.6	302.0	78.3	223.7	293.0	78.3	214.7	9.0
	Seasonally adjusted annual rates											
1967: I	534.4	13.5	520.9	480.9	40.0	222.0	61.9	160.1	236.1	61.9	174.2	−14.1
II	541.6	14.1	527.5	489.8	37.7	224.5	61.9	162.5	240.4	61.9	178.5	−16.0
III	550.3	13.9	536.4	495.7	40.7	230.2	63.4	166.7	244.8	63.4	181.3	−14.6
IV	559.8	14.1	545.7	502.6	43.1	236.9	64.0	173.0	250.4	64.0	186.4	−13.4
1968: I	575.0	14.5	560.5	520.6	39.9	248.5	66.6	181.9	260.0	66.6	193.4	−11.5
II	587.4	14.8	572.6	530.3	42.3	257.3	69.7	187.6	268.1	69.7	198.4	−10.8
III	593.4	15.2	578.2	544.9	33.2	271.0	72.0	199.1	274.5	72.0	202.5	−3.5
IV	604.3	15.5	588.8	550.7	38.0	279.7	73.9	205.8	280.6	73.9	206.7	−.9
1969: I	610.2	15.7	594.5	562.0	32.5	294.1	75.8	218.3	285.9	75.8	210.0	8.3
II	622.0	15.9	606.1	572.8	33.3	302.0	77.6	224.4	290.6	77.6	212.9	11.4
III	639.0	16.1	622.9	579.8	43.1	303.4	78.9	224.4	296.0	78.9	217.0	7.4
IVᵖ	647.1	16.2	630.9	589.2	41.6	....	80.9	....	299.7	80.9	218.9	....

See footnotes at end of table.

TABLE C–6.—*Gross national product: Receipts and expenditures by major economic groups, 1929–69*—Continued

[Billions of dollars]

Year or quarter	Business			International					Total income or receipts	Statistical discrepancy	Gross national product or expenditure
	Gross retained earnings [3]	Gross private domestic investment [4]	Excess of investment (−)	Transfers to foreigners by persons and Government	Net exports of goods and services			Excess of transfers or of net exports (−) [5]			
					Exports	Less: Imports	Equals: Net exports				
1929	11.2	16.2	−5.1	0.4	7.0	5.9	1.1	−0.8	102.4	0.7	103.1
1930	8.6	10.3	−1.6	.3	5.4	4.4	1.0	−.7	91.2	−.8	90.4
1931	5.3	5.6	−.3	.3	3.6	3.1	.5	−.2	75.1	.7	75.8
1932	3.2	1.0	2.2	.2	2.5	2.1	.4	−.2	57.7	.3	58.0
1933	3.2	1.4	1.8	.2	2.4	2.0	.4	−.2	55.0	.6	55.6
1934	5.2	3.3	1.9	.2	3.0	2.4	.6	−.4	64.5	.5	65.1
1935	6.4	6.4	*	.2	3.3	3.1	.1	.1	72.5	−.2	72.2
1936	6.7	8.5	−1.8	.2	3.5	3.4	.1	.1	81.3	1.2	82.5
1937	7.7	11.8	−4.0	.2	4.6	4.3	.3	−.1	90.5	*	90.4
1938	8.0	6.5	1.6	.2	4.3	3.0	1.3	−1.1	84.1	.6	84.7
1939	8.4	9.3	−.9	.2	4.4	3.4	1.1	−.9	89.2	1.3	90.5
1940	10.5	13.1	−2.7	.2	5.4	3.6	1.7	−1.5	98.7	1.0	99.7
1941	11.4	17.9	−6.5	.2	5.9	4.6	1.3	−1.1	124.1	.4	124.5
1942	14.5	9.8	4.6	.2	4.8	4.8	*	.2	159.0	−1.1	157.9
1943	16.3	5.7	10.6	.2	4.4	6.5	−2.0	2.2	193.6	−2.0	191.6
1944	17.1	7.1	10.0	.3	5.3	7.1	−1.8	2.1	207.6	2.5	210.1
1945	15.1	10.6	4.6	.8	7.2	7.9	−.6	1.4	208.0	3.9	211.9
1946	14.5	30.6	−16.1	2.9	14.7	7.2	7.5	−4.6	208.4	.1	208.5
1947	20.2	34.0	−13.8	2.6	19.7	8.2	11.5	−8.9	230.4	.9	231.3
1948	28.0	46.0	−18.0	4.5	16.8	10.3	6.4	−1.9	259.5	−2.0	257.6
1949	29.7	35.7	−6.0	5.6	15.8	9.6	6.1	−.5	256.2	.3	256.5
1950	29.4	54.1	−24.7	4.0	13.8	12.0	1.8	2.2	283.3	1.5	284.8
1951	33.1	59.3	−26.2	3.5	18.7	15.1	3.7	−.2	325.1	3.3	328.4
1952	35.1	51.9	−16.8	2.5	18.0	15.8	2.2	.3	343.3	2.2	345.5
1953	36.1	52.6	−16.5	2.5	16.9	16.6	.4	2.1	361.6	3.0	364.6
1954	39.2	51.7	−12.5	2.3	17.8	15.9	1.8	.5	362.1	2.7	364.8
1955	46.3	67.4	−21.1	2.5	19.8	17.8	2.0	.5	395.9	2.1	398.0
1956	47.3	70.0	−22.8	2.4	23.6	19.6	4.0	−1.5	420.4	−1.1	419.2
1957	49.8	67.8	−18.1	2.3	26.5	20.8	5.7	−3.4	441.1	*	441.1
1958	49.4	60.9	−11.5	2.4	23.1	20.9	2.2	.2	445.8	1.6	447.3
1959	56.8	75.3	−18.5	2.4	23.5	23.3	.1	2.3	484.5	−.8	483.7
1960	56.8	74.8	−18.0	2.4	27.2	23.2	4.0	−1.7	504.8	−1.0	503.7
1961	58.7	71.7	−13.0	2.6	28.6	23.0	5.6	−3.0	520.8	−.8	520.1
1962	66.3	83.0	−16.8	2.7	30.3	25.1	5.1	−2.5	559.8	.5	560.3
1963	68.8	87.1	−18.4	2.8	32.3	26.4	5.9	−3.1	590.8	−.3	590.5
1964	76.2	94.0	−17.8	2.8	37.1	28.6	8.5	−5.7	633.7	−1.3	632.4
1965	84.7	108.1	−23.4	2.8	39.2	32.3	6.9	−4.1	688.0	−3.1	684.9
1966	91.3	121.4	−30.1	2.8	43.4	38.1	5.3	−2.4	750.9	−1.0	749.9
1967	93.3	116.0	−22.7	3.0	46.2	41 0	5.2	−2.2	794.5	−1.0	793.5
1968	96.7	126.3	−29.6	2.9	50.6	48.1	2.5	.3	868.2	−2.5	865.7
1969 p	98.6	139.6	−41.0	2.6	55.4	53.3	2.1	.6	938.5	−6.2	932.3
	Seasonally adjusted annual rates										
1967: I	91.6	113.6	−21.9	2.8	45.8	40.4	5.4	−2.7	775.4	−1.2	774.2
II	91.9	109.4	−17.5	3.3	45.9	40.1	5.8	−2.5	785.2	−1.7	783.5
III	93.8	117.7	−23.9	3.3	46.3	40.7	5.6	−2.3	800.3	.1	800.4
IV	95.9	123.3	−27.4	2.6	46.7	42.8	3.8	−1.3	817.2	−1.1	816.1
1968: I	92.1	119.4	−27.3	2.5	47.7	45.9	1.9	.7	837.1	−1.8	835.3
II	97.2	126.6	−29.4	2.8	50.7	47.3	3.4	−.6	860.2	−1.6	858.7
III	99.3	125.2	−26.0	3.1	53.4	49.7	3.6	−.6	879.6	−3.3	876.4
IV	98.3	133.9	−35.7	3.1	50.6	49.4	1.2	1.9	895.9	−3.4	892.5
1969: I	97.7	135.2	−37.5	2.4	47.6	46.1	1.5	1.0	912.9	−4.2	908.7
II	98.0	137.4	−39.4	2.8	57.1	55.5	1.6	1.2	931.3	−6.5	924.8
III	99.7	143.3	−43.6	2.6	57.8	55.2	2.7	.0	949.7	−6.9	942.8
IV p	------	142.4	------	2.7	59.1	56.4	2.6	.1	------	------	953.1

[1] Personal income less personal tax and nontax payments (fines, penalties, etc.).

[2] Government transfer payments to persons, foreign net transfers by Government, net interest paid by government, and subsidies less current surplus of government enterprises.

[3] Undistributed corporate profits, corporate inventory valuation adjustment, capital consumption allowances, and wage accruals less disbursements.

[4] Private business investment, purchases of capital goods by private nonprofit institutions, and residential housing. See Table C–11.

[5] Net foreign investment with sign changed.

Note.—Corporate profits tax and related items for 1969 reflect repeal of investment tax credit.

Source: Department of Commerce, Office of Business Economics.

TABLE C–7.—*Gross national product by sector, 1929–69*

[Billions of dollars]

Year or quarter	Total gross national product	Gross private product [1]						Gross government product [3]
		Total	Business			Households and institutions	Rest of the world	
			Total	Nonfarm [2]	Farm			
1929	103.1	98.8	95.1	85.4	9.7	2.9	0.8	4.3
1930	90.4	85.8	82.4	74.8	7.7	2.7	.7	4.5
1931	75.8	71.2	68.3	62.0	6.3	2.3	.5	4.7
1932	58.0	53.6	51.3	46.8	4.5	1.9	.4	4.4
1933	55.6	50.9	48.9	44.3	4.6	1.7	.3	4.7
1934	65.1	59.5	57.4	52.7	4.7	1.8	.3	5.6
1935	72.2	66.3	64.1	57.1	7.0	1.9	.4	5.9
1936	82.5	75.2	72.9	66.5	6.4	2.0	.3	7.3
1937	90.4	83.5	81.0	72.7	8.3	2.3	.3	6.9
1938	84.7	77.0	74.5	67.9	6.6	2.2	.4	7.6
1939	90.5	82.9	80.3	74.0	6.3	2.3	.3	7.6
1940	99.7	91.9	89.1	82.6	6.5	2.4	.4	7.8
1941	124.5	115.1	112.2	103.3	8.9	2.5	.4	9.4
1942	157.9	142.8	139.5	126.5	13.0	2.9	.4	15.1
1943	191.6	166.0	162.4	147.2	15.3	3.2	.4	25.6
1944	210.1	177.9	173.8	158.5	15.3	3.7	.4	32.2
1945	211.9	176.8	172.3	156.4	15.9	4.1	.4	35.2
1946	208.5	187.7	182.7	163.9	18.8	4.5	.6	20.8
1947	231.3	214.6	208.6	188.5	20.2	5.1	.8	16.7
1948	257.6	240.1	233.5	210.2	23.3	5.6	1.0	17.4
1949	256.5	237.0	230.1	211.4	18.8	5.9	1.0	19.4
1950	284.8	263.9	256.3	236.3	20.0	6.4	1.2	20.9
1951	328.4	301.0	292.8	269.9	22.9	6.9	1.3	27.4
1952	345.5	314.3	305.8	283.7	22.2	7.2	1.3	31.2
1953	364.6	332.7	323.6	303.3	20.3	7.8	1.3	31.9
1954	364.8	332.4	322.7	303.1	19.6	8.1	1.6	32.5
1955	398.0	363.8	352.9	334.1	18.8	9.1	1.8	34.2
1956	419.2	382.6	370.8	352.2	18.6	9.8	2.1	36.6
1957	441.1	402.0	389.3	370.9	18.4	10.5	2.2	39.1
1958	447.3	405.2	391.7	370.9	20.8	11.4	2.0	42.1
1959	483.7	439.4	425.0	405.3	19.6	12.2	2.2	44.3
1960	503.7	456.3	440.7	420.2	20.5	13.2	2.4	47.5
1961	520.1	469.2	452.3	431.4	20.9	14.0	2.9	50.9
1962	560.3	505.7	487.4	466.2	21.2	15.0	3.3	54.7
1963	590.5	532.4	513.0	491.5	21.5	16.0	3.4	58.1
1964	632.4	569.4	548.2	527.6	20.6	17.3	4.0	63.0
1965	684.9	617.1	594.4	570.8	23.7	18.5	4.2	67.8
1966	749.9	673.3	648.9	624.0	24.9	20.2	4.1	76.6
1967	793.5	708.2	681.0	656.6	24.4	22.7	4.5	85.3
1968	865.7	770.5	740.6	715.7	24.9	25.2	4.7	95.2
1969 [p]	932.3	828.2	795.4	768.4	27.0	28.6	4.2	104.1
	Seasonally adjusted annual rates							
1967: I	774.2	692.0	665.9	642.1	23.8	22.0	4.1	82.2
II	783.5	699.5	673.0	648.6	24.4	22.5	4.0	84.0
III	800.4	714.2	686.4	661.7	24.7	22.9	4.9	86.2
IV	816.1	727.1	698.6	673.9	24.7	23.4	5.1	89.0
1968: I	835.3	743.9	715.4	690.5	24.9	24.3	4.3	91.3
II	858.7	764.9	734.6	709.8	24.8	25.4	4.9	93.8
III	876.4	779.2	749.3	724.1	25.2	25.0	4.9	97.1
IV	892.5	794.0	763.1	738.4	24.7	26.0	4.9	98.5
1969: I	908.7	808.5	776.7	751.1	25.7	27.2	4.5	100.2
II	924.8	822.7	790.5	763.0	27.6	28.3	3.9	102.1
III	942.8	836.5	803.6	775.9	27.7	28.9	4.1	106.2
IV [p]	953.1	845.2	810.8	783.8	26.9	30.0	4.4	107.9

[1] Gross national product less compensation of general government employees.
[2] Includes compensation of employees in government enterprises. Government enterprises are those agencies of government whose operating costs are to a substantial extent covered by the sale of goods and services, in contrast to the general activities of government, which are financed mainly by tax revenues and debt creation. The Post Office and public power systems are examples of government enterprises; on the other hand, State universities and public parks are part of general government activities.
[3] Compensation of general government employees.

Source: Department of Commerce, Office of Business Economics.

TABLE C–8.—*Gross national product by sector, in 1958 prices, 1929–69*

[Billions of dollars, 1958 prices]

Year or quarter	Total gross national product	Gross private product [1]						Gross government product [3]
		Total	Business			Households and institutions	Rest of the world	
			Total	Nonfarm [2]	Farm			
1929	203.6	190.9	182.1	165.1	17.0	7.4	1.4	12.7
1930	183.5	170.1	161.4	145.4	16.1	7.1	1.6	13.3
1931	169.3	155.8	147.7	129.2	18.5	6.6	1.4	13.5
1932	144.2	131.0	123.8	105.8	18.0	6.0	1.3	13.2
1933	141.5	127.5	120.6	103.0	17.5	5.7	1.2	14.0
1934	154.3	138.3	131.1	116.6	14.6	6.2	1.0	16.0
1935	169.5	152.4	144.9	128.4	16.5	6.4	1.1	17.1
1936	193.0	173.1	165.4	150.5	14.9	6.8	1.0	19.9
1937	203.2	184.3	176.4	158.5	17.9	7.1	.8	18.9
1938	192.9	172.6	164.6	146.8	17.8	6.8	1.1	20.4
1939	209.4	188.7	180.7	162.5	18.2	7.1	.9	20.6
1940	227.2	205.6	197.1	179.6	17.5	7.6	1.0	21.6
1941	263.7	236.6	228.1	209.3	18.8	7.5	.9	27.2
1942	297.8	257.3	248.7	228.0	20.6	7.8	.8	40.5
1943	337.1	272.8	264.9	245.3	19.6	7.2	.8	64.3
1944	361.3	286.9	278.9	259.5	19.4	7.1	.9	74.4
1945	355.2	282.5	274.6	256.5	18.1	7.1	.8	72.8
1946	312.6	275.1	267.0	248.6	18.5	7.1	.9	37.5
1947	309.9	281.4	272.8	255.8	17.0	7.5	1.1	28.6
1948	323.7	295.0	286.0	267.0	19.0	7.9	1.2	28.7
1949	324.1	294.1	284.7	266.2	18.4	8.2	1.2	30.1
1950	355.3	324.2	314.2	294.9	19.4	8.7	1.3	31.1
1951	383.4	344.6	334.5	316.2	18.4	8.8	1.2	38.8
1952	395.1	353.2	343.2	324.2	19.0	8.8	1.2	41.8
1953	412.8	371.1	360.7	340.7	20.0	9.1	1.3	41.7
1954	407.0	366.2	355.4	335.0	20.4	9.2	1.6	40.9
1955	438.0	397.2	385.4	364.4	20.9	10.1	1.8	40.7
1956	446.1	404.8	392.2	371.4	20.8	10.6	2.0	41.3
1957	452.5	410.5	397.5	377.2	20.3	10.9	2.1	41.9
1958	447.3	405.2	391.7	370.9	20.8	11.4	2.0	42.1
1959	475.9	433.4	419.4	398.3	21.1	11.7	2.2	42.5
1960	487.7	444.0	429.5	407.6	21.9	12.2	2.3	43.7
1961	497.2	452.3	436.9	414.8	22.2	12.4	2.9	44.8
1962	529.8	482.9	466.7	444.6	22.1	12.9	3.4	46.9
1963	551.0	503.2	486.6	463.8	22.8	13.2	3.4	47.8
1964	581.1	532.0	514.4	492.1	22.3	13.7	3.9	49.1
1965	617.8	567.0	548.9	525.2	23.7	14.0	4.1	50.8
1966	658.1	603.5	584.9	562.5	22.4	14.6	3.9	54.6
1967	674.6	617.0	597.3	573.5	23.7	15.4	4.3	57.6
1968	707.6	647.9	627.5	604.2	23.3	15.9	4.5	59.7
1969 p	727.7	666.7	645.3	621.8	23.5	17.3	4.0	61.0
	Seasonally adjusted annual rates							
1967: I	666.5	609.6	590.6	567.3	23.3	15.1	3.9	56.9
II	670.5	613.1	593.9	570.0	24.0	15.4	3.8	57.3
III	678.0	619.9	599.7	575.9	23.9	15.5	4.7	58.1
IV	683.5	625.4	604.8	581.1	23.7	15.7	4.9	58.1
1968: I	693.3	634.6	615.0	591.0	24.0	15.5	4.1	58.7
II	705.8	646.1	625.3	602.3	23.0	16.1	4.7	59.8
III	712.8	652.6	632.1	608.8	23.4	15.7	4.7	60.2
IV	718.5	658.3	637.5	614.6	22.9	16.2	4.6	60.2
1969: I	723.1	662.6	641.5	617.8	23.7	16.8	4.3	60.5
II	726.7	665.8	644.8	621.1	23.7	17.2	3.7	60.9
III	730.6	669.4	648.2	624.1	24.1	17.4	3.9	61.1
IV p	730.5	668.9	646.9	624.3	22.6	17.8	4.2	61.6

[1] Gross national product less compensation of general government employees.

[2] Includes compensation of employees in government enterprises. Government enterprises are those agencies of government whose operating costs are to a substantial extent covered by the sale of goods and services, in contrast to the general activities of government, which are financed mainly by tax revenues and debt creation. The Post Office and public power systems are examples of government enterprises; on the other hand, State universities and public parks are part of general government activities.

[3] Compensation of general government employees.

Source: Department of Commerce, Office of Business Economics.

TABLE C–9.—*Gross national product by industry, in 1958 prices, 1947–68*

[Billions of dollars, 1958 prices]

Year	Total gross national product	Agriculture, forestry, and fisheries	Contract construction	Manufacturing: Total	Manufacturing: Durable goods industries	Manufacturing: Nondurable goods industries	Transportation, communication, and utilities	Wholesale and retail trade	Finance, insurance, and real estate	Services	Government and government enterprises	All other [1]
1947	309.9	17.9	12.9	91.8	52.3	39.4	29.6	52.7	35.6	30.6	32.4	6.7
1948	323.7	20.0	14.1	96.3	55.0	41.3	30.4	54.2	36.5	31.9	33.2	7.1
1949	324.1	19.4	14.7	90.9	50.5	40.4	28.7	55.2	37.8	32.1	34.7	10.6
1950	355.3	20.4	16.2	105.5	60.8	44.7	30.8	60.4	41.0	33.1	35.9	12.1
1951	383.4	19.5	18.2	116.2	69.0	47.2	34.3	61.4	42.9	34.0	43.9	13.0
1952	395.1	20.2	18.3	118.7	71.5	47.3	34.6	62.9	44.7	34.5	47.2	14.0
1953	412.8	21.2	18.9	128.6	79.1	49.5	35.7	64.9	46.8	35.3	47.1	14.3
1954	407.0	21.6	19.3	119.5	71.2	48.3	36.4	65.5	49.8	35.4	46.1	13.5
1955	438.0	22.1	20.8	133.6	80.7	52.9	38.6	71.6	52.7	38.2	46.0	14.4
1956	446.1	22.0	21.8	134.1	79.4	54.6	40.5	73.8	54.8	40.2	46.2	12.7
1957	452.5	21.5	21.1	134.6	79.6	54.9	41.3	75.1	57.0	41.8	46.9	13.1
1958	447.3	22.0	20.7	123.7	69.6	54.0	40.6	75.1	59.2	42.9	47.3	16.0
1959	475.9	22.3	22.0	138.9	79.9	59.0	43.3	80.8	61.4	45.1	47.9	14.1
1960	487.7	23.1	21.7	140.9	81.0	59.9	44.9	82.3	64.1	46.7	49.2	14.7
1961	497.2	23.4	21.4	140.4	79.7	60.7	46.0	83.5	67.1	48.3	50.6	16.3
1962	529.8	23.3	21.7	154.6	90.0	64.7	48.9	88.9	71.2	50.8	52.6	17.9
1963	551.0	24.0	21.9	162.4	95.6	66.8	51.9	92.8	74.4	52.2	53.9	17.4
1964	581.1	23.6	23.3	173.7	102.4	71.3	54.7	98.9	78.3	54.7	56.1	17.8
1965	617.8	25.0	23.5	190.5	114.8	75.7	59.2	104.8	83.1	57.7	58.0	15.8
1966	658.1	23.7	24.7	205.7	125.1	80.7	64.0	111.6	86.8	60.6	61.8	19.4
1967	674.6	25.0	23.1	205.6	124.4	81.3	66.5	113.9	91.3	63.6	65.5	20.0
1968	707.6	24.6	23.8	220.6	133.3	87.2	70.4	119.9	95.8	65.9	68.6	17.6

[1] Mining, rest of the world, and residual (the difference between gross national product measured as sum of final products and gross national product measured as sum of gross product by industries).

Source: Department of Commerce, Office of Business Economics.

Table C-10.—*Personal consumption expenditures, 1929–69*

[Billions of dollars]

Year or quarter	Total personal consumption expenditures	Durable goods				Nondurable goods					Services				
		Total	Automobiles and parts	Furniture and household equipment	Other	Total	Food and beverages	Clothing and shoes [1]	Gasoline and oil	Other	Total	Housing [2]	Household operation	Transportation	Other
1929	77.2	9.2	3.2	4.8	1.2	37.7	19.5	9.4	1.8	7.0	30.3	11.5	4.0	2.6	12.2
1930	69.9	7.2	2.2	3.9	1.1	34.0	18.0	8.0	1.7	6.3	28.7	11.0	3.9	2.2	11.5
1931	60.5	5.5	1.6	3.1	.9	29.0	14.7	6.9	1.5	5.7	26.0	10.3	3.5	1.9	10.3
1932	48.6	3.6	.9	2.1	.6	22.7	11.4	5.1	1.5	4.8	22.2	9.0	3.0	1.6	8.6
1933	45.8	3.5	1.1	1.9	.5	22.3	11.5	4.6	1.5	4.6	20.1	7.9	2.8	1.5	7.9
1934	51.3	4.2	1.4	2.2	.6	26.7	14.2	5.7	1.6	5.2	20.4	7.6	3.0	1.6	8.2
1935	55.7	5.1	1.9	2.6	.7	29.3	16.2	6.0	1.7	5.4	21.3	7.7	3.2	1.7	8.7
1936	61.9	6.3	2.3	3.2	.8	32.9	18.4	6.6	1.9	5.9	22.8	8.0	3.4	1.9	9.5
1937	66.5	6.9	2.4	3.6	1.0	35.2	19.9	6.8	2.1	6.3	24.4	8.5	3.7	2.0	10.2
1938	63.9	5.7	1.6	3.1	.9	34.0	18.9	6.8	2.1	6.2	24.3	8.9	3.6	1.9	9.9
1939	66.8	6.7	2.2	3.5	1.0	35.1	19.1	7.1	2.2	6.7	25.0	9.1	3.8	2.0	10.1
1940	70.8	7.8	2.7	3.9	1.1	37.0	20.2	7.4	2.3	7.1	26.0	9.4	4.0	2.1	10.4
1941	80.6	9.6	3.4	4.9	1.4	42.9	23.4	8.8	2.6	8.0	28.1	10.2	4.3	2.4	11.2
1942	88.5	6.9	.7	4.7	1.6	50.8	28.4	11.0	2.1	9.3	30.8	11.0	4.8	2.7	12.3
1943	99.3	6.6	.8	3.9	1.9	58.6	33.2	13.4	1.3	10.6	34.2	11.5	5.2	3.4	14.0
1944	108.3	6.7	.8	3.8	2.2	64.3	36.7	14.4	1.6	11.7	37.2	12.0	5.9	3.7	15.6
1945	119.7	8.0	1.0	4.6	2.5	71.9	40.6	16.5	1.8	13.0	39.8	12.5	6.4	4.0	16.8
1946	143.4	15.8	4.0	8.6	3.2	82.4	47.4	18.2	3.0	13.8	45.3	13.9	6.8	5.0	19.7
1947	160.7	20.4	6.2	10.9	3.3	90.5	52.3	18.8	3.6	15.7	49.8	15.7	7.5	5.3	21.4
1948	173.6	22.7	7.5	11.9	3.4	96.2	54.2	20.1	4.4	17.5	54.7	17.5	8.1	5.8	23.3
1949	176.8	24.6	9.9	11.6	3.2	94.5	52.5	19.3	5.0	17.7	57.6	19.3	8.5	5.9	23.9
1950	191.0	30.5	13.1	14.1	3.3	98.1	53.9	19.6	5.4	19.2	62.4	21.3	9.5	6.2	25.4
1951	206.3	29.6	11.6	14.4	3.6	108.8	60.4	21.2	6.1	21.1	67.9	23.9	10.4	6.7	26.9
1952	216.7	29.3	11.1	14.3	3.9	114.0	63.4	21.9	6.8	21.7	73.4	26.5	11.1	7.1	28.7
1953	230.0	33.2	14.2	14.9	4.1	116.8	64.4	22.1	7.7	22.7	79.9	29.3	12.0	7.8	30.8
1954	236.5	32.8	13.6	15.0	4.2	118.3	65.4	22.1	8.2	22.6	85.4	31.7	12.6	7.9	33.2
1955	254.4	39.6	18.4	16.6	4.6	123.3	67.2	23.1	9.0	24.0	91.4	33.7	14.0	8.2	35.5
1956	266.7	38.9	16.4	17.5	5.0	129.3	69.9	24.1	9.8	25.4	98.5	36.0	15.2	8.6	38.6
1957	281.4	40.8	18.3	17.3	5.2	135.6	73.6	24.3	10.6	27.1	105.0	38.5	16.2	9.0	41.3
1958	290.1	37.9	15.4	17.1	5.4	140.2	76.4	24.7	11.0	28.2	112.0	41.1	17.3	9.3	44.3
1959	311.2	44.3	19.5	18.9	5.9	146.6	78.6	26.4	11.6	30.1	120.3	43.7	18.5	10.1	48.0
1960	325.2	45.3	20.1	18.9	6.3	151.3	80.5	27.3	12.3	31.2	128.7	46.3	20.0	10.8	51.6
1961	335.2	44.2	18.4	19.3	6.5	155.9	82.9	27.9	12.4	32.7	135.1	48.7	20.8	10.6	54.9
1962	355.1	49.5	22.0	20.5	6.9	162.6	85.7	29.6	12.9	34.4	143.0	52.0	22.0	11.0	58.0
1963	375.0	53.9	24.3	22.2	7.5	168.6	88.2	30.6	13.5	36.3	152.4	55.4	23.1	11.4	62.5
1964	401.2	59.2	25.8	25.0	8.5	178.7	92.9	33.5	14.0	38.2	163.3	59.3	24.3	11.6	68.1
1965	432.8	66.3	30.3	26.9	9.1	191.1	98.8	35.9	15.3	41.1	175.5	63.5	25.6	12.6	73.8
1966	466.3	70.8	30.3	29.9	10.5	206.9	105.8	40.3	16.6	44.4	188.6	67.5	27.1	13.6	80.4
1967	492.3	73.0	30.5	31.3	11.2	215.1	108.1	42.5	17.7	46.8	204.2	71.8	29.1	14.7	88.6
1968	536.6	83.3	37.0	34.2	12.1	230.6	115.0	46.3	19.1	50.1	222.8	77.4	31.2	16.1	98.1
1969 p	576.0	89.6	40.3	35.9	13.4	243.8	120.0	49.9	21.3	52.7	242.5	83.7	33.5	17.5	107.8
	Seasonally adjusted annual rates														
1967: I	480.9	70.0	28.4	30.7	10.9	213.2	107.8	41.7	17.3	46.4	197.7	70.1	28.2	14.4	85.0
II	489.8	73.5	31.3	31.2	11.0	214.4	107.6	42.6	17.5	46.7	201.8	71.1	29.0	14.5	87.2
III	495.7	73.3	30.9	31.2	11.2	215.8	108.1	42.9	17.9	46.8	206.6	72.3	29.3	14.8	90.3
IV	502.6	75.2	31.2	32.2	11.7	216.8	108.9	42.7	18.1	47.1	210.6	73.7	30.1	15.0	91.8
1968: I	520.6	79.5	34.8	33.4	11.3	226.1	112.6	45.0	18.9	49.6	215.1	75.2	30.5	15.5	93.8
II	530.3	81.8	35.6	33.8	12.4	228.5	114.8	45.6	18.8	49.4	220.0	76.7	30.7	15.9	96.7
III	544.9	85.8	38.6	35.0	12.1	233.3	116.1	47.4	19.5	50.3	225.8	77.9	31.6	16.3	100.0
IV	550.7	86.3	39.0	34.6	12.8	234.3	116.4	47.3	19.5	51.1	230.1	79.8	31.9	16.5	101.8
1969: I	562.0	88.4	39.4	35.5	13.6	238.6	118.4	48.1	20.4	51.8	235.0	81.3	32.7	17.1	103.9
II	572.8	90.6	40.0	36.8	13.8	242.1	119.1	50.0	21.0	52.0	240.1	82.8	33.1	17.3	106.9
III	579.8	89.8	40.8	35.8	13.2	245.1	119.9	50.8	21.8	52.7	244.9	84.4	33.9	17.7	108.8
IV p	589.2	89.6	40.9	35.6	13.1	249.4	122.6	50.6	22.0	54.2	250.2	86.3	34.2	17.9	111.8

[1] Includes standard clothing issued to military personnel.
[2] Includes imputed rental value of owner-occupied dwellings.

Source: Department of Commerce, Office of Business Economics.

Table C-11.—*Gross private domestic investment, 1929–69*

[Billions of dollars]

Year or quarter	Total gross private domestic investment	Fixed investment: Total	Nonresidential: Total	Nonresidential: Structures: Total	Nonresidential: Structures: Nonfarm	Nonresidential: Producers' durable equipment: Total	Nonresidential: Producers' durable equipment: Nonfarm	Residential structures: Total	Residential structures: Nonfarm	Residential structures: Farm	Change in business inventories: Total	Change in business inventories: Nonfarm
1929	16.2	14.5	10.6	5.0	4.8	5.6	4.9	4.0	3.8	0.2	1.7	1.8
1930	10.3	10.6	8.3	4.0	3.9	4.3	3.7	2.3	2.2	.1	−.4	−.1
1931	5.6	6.8	5.0	2.3	2.3	2.7	2.4	1.7	1.6	.1	−1.1	−1.6
1932	1.0	3.4	2.7	1.2	1.2	1.5	1.3	.7	.7	*	−2.5	−2.6
1933	1.4	3.0	2.4	.9	.9	1.5	1.3	.6	.5	*	−1.6	−1.4
1934	3.3	4.1	3.2	1.0	1.0	2.2	1.8	.9	.8	.1	−.7	.2
1935	6.4	5.3	4.1	1.2	1.2	2.9	2.4	1.2	1.1	.1	1.1	.4
1936	8.5	7.2	5.6	1.6	1.6	4.0	3.3	1.6	1.5	.1	1.3	2.1
1937	11.8	9.2	7.3	2.4	2.4	4.9	4.1	1.9	1.8	.1	2.5	1.7
1938	6.5	7.4	5.4	1.9	1.8	3.5	2.9	2.0	1.9	.1	−.9	−1.0
1939	9.3	8.9	5.9	2.0	1.9	4.0	3.4	2.9	2.8	.1	.4	.3
1940	13.1	11.0	7.5	2.3	2.2	5.3	4.6	3.4	3.2	.2	2.2	1.9
1941	17.9	13.4	9.5	2.9	2.8	6.6	5.6	3.9	3.7	.2	4.5	4.0
1942	9.8	8.1	6.0	1.9	1.8	4.1	3.5	2.1	1.9	.2	1.8	.7
1943	5.7	6.4	5.0	1.3	1.2	3.7	3.2	1.4	1.2	.2	−.6	−.6
1944	7.1	8.1	6.8	1.8	1.7	5.0	4.2	1.3	1.1	.1	−1.0	−.6
1945	10.6	11.6	10.1	2.8	2.7	7.3	6.3	1.5	1.4	.1	−1.0	−.6
1946	30.6	24.2	17.0	6.8	6.1	10.2	9.2	7.2	6.7	.5	6.4	6.4
1947	34.0	34.4	23.4	7.5	6.7	15.9	14.0	11.1	10.4	.7	−.5	1.3
1948	46.0	41.3	26.9	8.8	8.0	18.1	15.5	14.4	13.6	.9	4.7	3.0
1949	35.7	38.8	25.1	8.5	7.7	16.6	13.7	13.7	12.8	.8	−3.1	−2.2
1950	54.1	47.3	27.9	9.2	8.5	18.7	15.7	19.4	18.6	.8	6.8	6.0
1951	59.3	49.0	31.8	11.2	10.4	20.7	17.7	17.2	16.4	.8	10.3	9.1
1952	51.9	48.8	31.6	11.4	10.5	20.2	17.6	17.2	16.4	.8	3.1	2.1
1953	52.6	52.1	34.2	12.7	11.9	21.5	18.6	18.0	17.2	.8	.4	1.1
1954	51.7	53.3	33.6	13.1	12.3	20.6	18.0	19.7	19.0	.7	−1.5	−2.1
1955	67.4	61.4	38.1	14.3	13.6	23.8	21.2	23.3	22.7	.6	6.0	5.5
1956	70.0	65.3	43.7	17.2	16.5	26.5	24.2	21.6	20.9	.7	4.7	5.1
1957	67.8	66.5	46.4	18.0	17.2	28.4	25.9	20.2	19.5	.7	1.3	.8
1958	60.9	62.4	41.6	16.6	15.8	25.0	22.0	20.8	20.1	.6	−1.5	−2.3
1959	75.3	70.5	45.1	16.7	15.9	28.4	25.4	25.5	24.8	.6	4.8	4.8
1960	74.8	71.3	48.4	18.1	17.4	30.3	27.7	22.8	22.2	.6	3.6	3.3
1961	71.7	69.7	47.0	18.4	17.7	28.6	25.8	22.6	22.0	.6	2.0	1.7
1962	83.0	77.0	51.7	19.2	18.5	32.5	29.4	25.3	24.8	.6	6.0	5.3
1963	87.1	81.3	54.3	19.5	18.8	34.8	31.2	27.0	26.4	.6	5.9	5.1
1964	94.0	88.2	61.1	21.2	20.5	39.9	36.3	27.1	26.6	.5	5.8	6.4
1965	108.1	98.5	71.3	25.5	24.9	45.8	41.6	27.2	26.7	.5	9.6	8.6
1966	121.4	106.6	81.6	28.5	27.8	53.1	48.4	25.0	24.5	.5	14.8	15.0
1967	116.0	108.6	83.7	27.9	27.2	55.7	50.9	25.0	24.4	.6	7.4	6.8
1968	126.3	119.0	88.8	29.3	28.6	59.5	54.6	30.2	29.6	.5	7.3	7.4
1969 p	139.6	131.5	99.3	33.4	32.6	65.9	61.4	32.2	31.7	.5	8.0	7.8
	Seasonally adjusted annual rates											
1967: I	113.6	104.7	83.3	29.0	28.3	54.2	49.6	21.4	20.9	0.6	9.0	9.1
II	109.4	106.1	83.0	27.2	26.4	55.8	50.9	23.1	22.5	.6	3.4	3.0
III	117.7	109.9	83.5	27.8	27.0	55.7	50.8	26.5	25.9	.6	7.8	7.0
IV	123.3	113.8	85.0	27.8	27.0	57.2	52.3	28.8	28.3	.6	9.5	8.0
1968: I	119.4	117.7	89.1	29.8	29.0	59.4	54.2	28.6	28.0	.6	1.6	1.3
II	126.6	116.7	86.4	28.3	27.6	58.1	53.1	30.3	29.7	.6	9.9	10.3
III	125.2	118.0	88.1	29.0	28.3	59.1	54.3	29.9	29.4	.5	7.2	7.5
IV	133.9	123.4	91.5	30.1	29.3	61.4	56.7	31.9	31.4	.5	10.5	10.7
1969: I	135.2	128.6	95.3	32.3	31.6	63.0	58.7	33.3	32.8	.5	6.6	6.6
II	137.4	130.5	97.8	32.1	31.4	65.7	61.0	32.7	32.2	.5	6.9	6.7
III	143.3	132.5	101.1	34.7	34.0	66.4	62.4	31.4	30.9	.5	10.7	10.3
IV p	142.4	134.5	103.0	34.4	33.6	68.6	63.6	31.6	31.0	.5	7.8	7.6

Source: Department of Commerce, Office of Business Economics.

TABLE C-12.—*National income by type of income, 1929–69*

[Billions of dollars]

Year or quarter	Total national income [1]	Compensation of employees: Total	Compensation of employees: Wages and salaries	Compensation of employees: Supplements to wages and salaries [2]	Business and professional income: Total	Business and professional income: Income of unincorporated enterprises	Business and professional income: Inventory valuation adjustment	Income of farm proprietors [3]	Rental income of persons	Corporate profits and inventory valuation adjustment: Total	Corporate profits and inventory valuation adjustment: Corporate profits before taxes [4]	Corporate profits and inventory valuation adjustment: Inventory valuation adjustment	Net interest
1929	86.8	51.1	50.4	0.7	9.0	8.8	0.1	6.2	5.4	10.5	10.0	0.5	4.7
1930	75.4	46.8	46.2	.7	7.6	6.8	.8	4.3	4.8	7.0	3.7	3.3	4.9
1931	59.7	39.8	39.1	.6	5.8	5.1	.6	3.4	3.8	2.0	−.4	2.4	5.0
1932	42.8	31.1	30.5	.6	3.6	3.3	.3	2.1	2.7	−1.3	−2.3	1.0	4.6
1933	40.3	29.5	29.0	.5	3.3	3.9	−.5	2.6	2.0	−1.2	1.0	−2.1	4.1
1934	49.5	34.3	33.7	.6	4.7	4.8	−.1	3.0	1.7	1.7	2.3	−.6	4.1
1935	57.2	37.3	36.7	.6	5.5	5.5	*	5.3	1.7	3.4	3.6	−.2	4.1
1936	65.0	42.9	41.9	1.0	6.7	6.8	−.1	4.3	1.8	5.6	6.3	−.7	3.8
1937	73.6	47.9	46.1	1.8	7.2	7.2	*	6.0	2.1	6.8	6.8	*	3.7
1938	67.4	45.0	43.0	2.0	6.9	6.7	.2	4.4	2.6	4.9	4.0	1.0	3.6
1939	72.6	48.1	45.9	2.2	7.4	7.6	−.2	4.4	2.7	6.3	7.0	−.7	3.5
1940	81.1	52.1	49.8	2.3	8.6	8.6	*	4.5	2.9	9.8	10.0	−.2	3.3
1941	104.2	64.8	62.1	2.7	11.1	11.7	−.6	6.4	3.5	15.2	17.7	−2.5	3.2
1942	137.1	85.3	82.1	3.2	14.0	14.4	−.4	9.8	4.5	20.3	21.5	−1.2	3.1
1943	170.3	109.5	105.8	3.8	17.0	17.1	−.2	11.7	5.1	24.4	25.1	−.8	2.7
1944	182.6	121.2	116.7	4.5	18.2	18.3	−.1	11.6	5.4	23.8	24.1	−.3	2.3
1945	181.5	123.1	117.5	5.6	19.2	19.3	−.1	12.2	5.6	19.2	19.7	−.6	2.2
1946	181.9	117.9	112.0	5.9	21.6	23.3	−1.7	14.9	6.6	19.3	24.6	−5.3	1.5
1947	199.0	128.9	123.0	5.9	20.3	21.8	−1.5	15.2	7.1	25.6	31.5	−5.9	1.9
1948	224.2	141.1	135.4	5.8	22.7	23.1	−.4	17.5	8.0	33.0	35.2	−2.2	1.8
1949	217.5	141.0	134.5	6.5	22.6	22.2	.5	12.7	8.4	30.8	28.9	1.9	1.9
1950	241.1	154.6	146.8	7.8	24.0	25.1	−1.1	13.5	9.4	37.7	42.6	−5.0	2.0
1951	278.0	180.7	171.1	9.6	26.1	26.5	−.3	15.8	10.3	42.7	43.9	−1.2	2.3
1952	291.4	195.3	185.1	10.2	27.1	26.9	.2	15.0	11.5	39.9	38.9	1.0	2.6
1953	304.7	209.1	198.3	10.9	27.5	27.6	−.2	13.0	12.7	39.6	40.6	−1.0	2.8
1954	303.1	208.0	196.5	11.5	27.6	27.6	*	12.4	13.6	38.0	38.3	−.3	3.6
1955	331.0	224.5	211.3	13.2	30.3	30.5	−.2	11.4	13.9	46.9	48.6	−1.7	4.1
1956	350.8	243.1	227.8	15.2	31.3	31.8	−.5	11.4	14.3	46.1	48.8	−2.7	4.6
1957	366.1	256.0	238.7	17.3	32.8	33.1	−.3	11.3	14.8	45.6	47.2	−1.5	5.6
1958	367.8	257.8	239.9	17.9	33.2	33.2	−.1	13.4	15.4	41.1	41.4	−.3	6.8
1959	400.0	279.1	258.2	20.9	35.1	35.3	−.1	11.4	15.6	51.7	52.1	−.5	7.1
1960	414.5	294.2	270.8	23.4	34.2	34.3	*	12.0	15.8	49.9	49.7	.2	8.4
1961	427.3	302.6	278.1	24.6	35.6	35.6	*	12.8	16.0	50.3	50.3	−.1	10.0
1962	457.7	323.6	296.1	27.5	37.1	37.1	*	13.0	16.7	55.7	55.4	.3	11.6
1963	481.9	341.0	311.1	29.9	37.9	37.9	*	13.1	17.1	58.9	59.4	−.5	13.8
1964	518.1	365.7	333.7	32.0	40.2	40.3	−.1	12.1	18.0	66.3	66.8	−.5	15.8
1965	564.3	393.8	358.9	35.0	42.4	42.8	−.4	14.8	19.0	76.1	77.8	−1.7	18.2
1966	620.6	435.5	394.5	41.0	45.2	45.6	−.4	16.1	20.0	82.4	84.2	−1.8	21.4
1967	654.0	467.4	423.5	43.9	47.2	47.5	−.3	14.7	20.8	79.2	80.3	−1.1	24.7
1968	714.4	513.6	465.0	48.6	49.2	49.9	−.7	14.6	21.2	87.9	91.1	−3.2	28.0
1969 p	771.5	564.2	509.8	54.4	50.2	51.1	−.9	16.1	21.6	88.7	94.3	−5.6	30.6
	Seasonally adjusted annual rates												
1967: I	639.3	456.2	413.2	43.0	46.5	------	------	14.3	20.6	78.3	78.4	−0.1	23.5
II	646.2	461.1	417.7	43.4	47.1	------	------	14.7	20.8	78.3	79.1	−.7	24.3
III	658.5	470.7	426.5	44.2	47.8	------	------	14.8	20.9	79.1	79.5	−.4	25.1
IV	672.0	481.7	436.5	45.1	47.5	------	------	14.9	21.0	81.1	84.4	−3.3	25.9
1968: I	688.8	495.1	448.2	47.0	48.4	------	------	14.8	21.1	82.5	87.9	−5.3	26.7
II	707.4	507.0	459.0	48.0	49.2	------	------	14.3	21.2	88.2	90.7	−2.6	27.5
III	724.1	519.8	470.7	49.1	49.3	------	------	14.8	21.2	90.6	91.5	−.9	28.4
IV	737.3	532.3	482.1	50.2	49.7	------	------	14.4	21.4	90.3	94.5	−4.2	29.3
1969: I	751.3	546.0	493.3	52.7	49.7	------	------	14.9	21.5	89.5	95.5	−6.1	29.8
II	765.7	558.2	504.3	53.8	50.1	------	------	16.4	21.6	89.2	95.4	−6.2	30.3
III	780.6	571.9	516.9	55.0	50.5	------	------	16.8	21.7	88.8	92.5	−3.7	30.9
IV p	------	580.9	524.8	56.1	50.4	------	------	16.3	21.8	------	------	−6.4	31.6

[1] National income is the total net income earned in production. It differs from gross national product mainly in that it excludes depreciation charges and other allowances for business and institutional consumption of durable capital goods, and indirect business taxes. See Table C-13.

[2] Employer contributions for social insurance and to private pension, health, and welfare funds; compensation for injuries; directors' fees; pay of the military reserve; and a few other minor items.

[3] Includes change in inventories.

[4] See Table C-71 for corporate tax liability and profits after taxes.

Source: Department of Commerce, Office of Business Economics.

TABLE C–13.—*Relation of gross national product and national income, 1929–69*

[Billions of dollars]

Year or quarter	Gross national product	Less: Capital consumption allowances	Equals: Net national product	Plus: Subsidies less current surplus of government enterprises	Less: Indirect business taxes			Less: Business transfer payments	Less: Statistical discrepancy	Equals: National income
					Total	Federal	State and local			
1929	103.1	7.9	95.2	−0.1	7.0	1.2	5.8	0.6	0.7	86.8
1930	90.4	8.0	82.4	−.1	7.2	1.0	6.1	.5	−.8	75.4
1931	75.8	7.9	68.0	*	6.9	.9	6.0	.6	.7	59.7
1932	58.0	7.4	50.7	*	6.8	.9	5.8	.7	.3	42.8
1933	55.6	7.0	48.6	*	7.1	1.6	5.4	.7	.6	40.3
1934	65.1	6.8	58.2	.3	7.8	2.2	5.6	.6	.5	49.5
1935	72.2	6.9	65.4	.4	8.2	2.2	6.0	.6	−.2	57.2
1936	82.5	7.0	75.4	*	8.7	2.3	6.4	.6	1.2	65.0
1937	90.4	7.2	83.3	.1	9.2	2.4	6.8	.6	*	73.6
1938	84.7	7.3	77.4	.2	9.2	2.2	6.9	.4	.6	67.4
1939	90.5	7.3	83.2	.5	9.4	2.3	7.0	.5	1.3	72.6
1940	99.7	7.5	92.2	.4	10.0	2.6	7.4	.4	1.0	81.1
1941	124.5	8.2	116.3	.1	11.3	3.6	7.7	.5	.4	104.2
1942	157.9	9.8	148.1	.2	11.8	4.0	7.7	.5	−1.1	137.1
1943	191.6	10.2	181.3	.2	12.7	4.9	7.8	.5	−2.0	170.3
1944	210.1	11.0	199.1	.7	14.1	6.2	8.0	.5	2.5	182.6
1945	211.9	11.3	200.7	.8	15.5	7.1	8.4	.5	3.9	181.5
1946	208.5	9.9	198.6	.9	17.1	7.8	9.3	.5	.1	181.9
1947	231.3	12.2	219.1	−.2	18.4	7.8	10.6	.6	.9	199.0
1948	257.6	14.5	243.1	−.1	20.1	8.0	12.1	.7	−2.0	224.2
1949	256.5	16.6	239.9	−.1	21.3	8.0	13.3	.8	.3	217.5
1950	284.8	18.3	266.4	.2	23.3	8.9	14.5	.8	1.5	241.1
1951	328.4	21.2	307.2	.2	25.2	9.4	15.8	.9	3.3	278.0
1952	345.5	23.2	322.3	−.1	27.6	10.3	17.3	1.0	2.2	291.4
1953	364.6	25.7	338.9	−.4	29.6	10.9	18.7	1.2	3.0	304.7
1954	364.8	28.2	336.6	−.2	29.4	9.7	19.7	1.1	2.7	303.1
1955	398.0	31.5	366.5	−.1	32.1	10.7	21.4	1.2	2.1	331.0
1956	419.2	34.1	385.2	.8	34.9	11.2	23.6	1.4	−1.1	350.8
1957	441.1	37.1	404.0	.9	37.3	11.8	25.5	1.5	*	366.1
1958	447.3	38.9	408.4	.9	38.5	11.5	27.0	1.6	1.6	367.8
1959	483.7	41.4	442.3	.1	41.5	12.5	28.9	1.7	−.8	400.0
1960	503.7	43.4	460.3	.2	45.2	13.5	31.7	1.9	−1.0	414.5
1961	520.1	45.2	474.9	1.4	47.7	13.6	34.1	2.0	−.8	427.3
1962	560.3	50.0	510.4	1.4	51.5	14.6	36.9	2.1	.5	457.7
1963	590.5	52.6	537.9	.8	54.7	15.3	39.4	2.3	−.3	481.9
1964	632.4	56.1	576.3	1.3	58.4	16.1	42.3	2.5	−1.3	518.1
1965	684.9	59.8	625.1	1.3	62.5	16.5	45.9	2.7	−3.1	564.3
1966	749.9	63.9	685.9	2.3	65.7	15.7	49.9	3.0	−1.0	620.6
1967	793.5	68.6	725.0	1.4	70.1	16.3	53.8	3.2	−1.0	654.0
1968	865.7	73.3	792.4	.8	77.9	18.0	59.9	3.4	−2.5	714.4
1969 p	932.3	77.9	854.4	1.1	86.6	18.8	67.8	3.6	−6.2	771.5
	Seasonally adjusted annual rates									
1967: I	774.2	66.8	707.4	1.7	67.9	15.9	52.0	3.1	−1.2	639.3
II	783.5	67.9	715.6	1.2	69.2	16.2	53.0	3.2	−1.7	646.2
III	800.4	69.2	731.2	1.4	70.8	16.5	54.3	3.2	.1	658.5
IV	816.1	70.4	745.7	1.2	72.7	16.7	55.9	3.3	−1.1	672.0
1968: I	835.3	71.7	763.6	.6	73.9	17.4	56.5	3.3	−1.8	688.8
II	858.7	73.0	785.6	.7	77.0	17.9	59.2	3.4	−1.6	707.4
III	876.4	73.7	802.6	1.1	79.4	18.3	61.1	3.4	−3.3	724.1
IV	892.5	74.6	817.9	.9	81.4	18.5	62.9	3.5	−3.4	737.3
1969: I	908.7	75.9	832.8	1.1	83.3	18.5	64.8	3.5	−4.2	751.3
II	924.8	77.2	847.6	.9	85.7	18.6	67.1	3.6	−6.5	765.7
III	942.8	78.6	864.2	1.1	88.0	19.1	68.9	3.6	−6.9	780.6
IV p	953.1	79.9	873.2	1.3	89.3	18.9	70.4	3.6		

Source: Department of Commerce, Office of Business Economics.

TABLE C–14.—*Relation of national income and personal income, 1929–69*

[Billions of dollars]

Year or quarter	National income	Less:			Plus:				Equals:
		Corporate profits and inventory valuation adjustment	Contributions for social insurance	Wage accruals less disbursements	Government transfer payments to persons	Interest paid by government (net) and by consumers	Dividends	Business transfer payments	Personal income
1929	86.8	10.5	0.2	0.0	0.9	2.5	5.8	0.6	85.9
1930	75.4	7.0	.3	.0	1.0	1.8	5.5	.5	77.0
1931	59.7	2.0	.3	.0	2.1	1.8	4.1	.6	65.9
1932	42.8	−1.3	.3	.0	1.4	1.7	2.5	.7	50.2
1933	40.3	−1.2	.3	.0	1.5	1.6	2.0	.7	47.0
1934	49.5	1.7	.3	.0	1.6	1.7	2.6	.6	54.0
1935	57.2	3.4	.3	.0	1.8	1.7	2.8	.6	60.4
1936	65.0	5.6	.6	.0	2.9	1.7	4.5	.6	68.6
1937	73.6	6.8	1.8	.0	1.9	1.9	4.7	.6	74.1
1938	67.4	4.9	2.0	.0	2.4	1.9	3.2	.4	68.3
1939	72.6	6.3	2.1	.0	2.5	1.9	3.8	.5	72.8
1940	81.1	9.8	2.3	.0	2.7	2.1	4.0	.4	78.3
1941	104.2	15.2	2.8	.0	2.6	2.2	4.4	.5	96.0
1942	137.1	20.3	3.5	.0	2.6	2.2	4.3	.5	122.9
1943	170.3	24.4	4.5	.2	2.5	2.6	4.4	.5	151.3
1944	182.6	23.8	5.2	−.2	3.1	3.3	4.6	.5	165.3
1945	181.5	19.2	6.1	.0	5.6	4.2	4.6	.5	171.1
1946	181.9	19.3	6.0	.0	10.8	5.2	5.6	.5	178.7
1947	199.0	25.6	5.7	.0	11.1	5.5	6.3	.6	191.3
1948	224.2	33.0	5.2	.0	10.5	6.1	7.0	.7	210.2
1949	217.5	30.8	5.7	.0	11.6	6.5	7.2	.8	207.2
1950	241.1	37.7	6.9	.0	14.3	7.2	8.8	.8	227.6
1951	278.0	42.7	8.2	.1	11.5	7.6	8.6	.9	255.6
1952	291.4	39.9	8.7	.0	12.0	8.1	8.6	1.0	272.5
1953	304.7	39.6	8.8	−.1	12.8	9.0	8.9	1.2	288.2
1954	303.1	38.0	9.8	.0	14.9	9.5	9.3	1.1	290.1
1955	331.0	46.9	11.1	.0	16.1	10.1	10.5	1.2	310.9
1956	350.8	46.1	12.6	.0	17.1	11.2	11.3	1.4	333.0
1957	366.1	45.6	14.5	.0	19.9	12.0	11.7	1.5	351.1
1958	367.8	41.1	14.8	.0	24.1	12.1	11.6	1.6	361.2
1959	400.0	51.7	17.6	.0	24.9	13.6	12.6	1.7	383.5
1960	414.5	49.9	20.7	.0	26.6	15.1	13.4	1.9	401.0
1961	427.3	50.3	21.4	.0	30.4	15.0	13.8	2.0	416.8
1962	457.7	55.7	24.0	.0	31.2	16.1	15.2	2.1	442.6
1963	481.9	58.9	26.9	.0	33.0	17.6	16.5	2.3	465.5
1964	518.1	66.3	27.9	.0	34.2	19.1	17.8	2.5	497.5
1965	564.3	76.1	29.6	.0	37.2	20.5	19.8	2.7	538.9
1966	620.6	82.4	38.0	.0	41.1	22.2	20.8	3.0	587.2
1967	654.0	79.2	42.4	.0	48.8	23.6	21.5	3.2	629.4
1968	714.4	87.9	47.0	.0	55.8	26.1	23.1	3.4	687.9
1969 p	771.5	88.7	54.4	.0	61.9	28.7	24.6	3.6	747.1
	Seasonally adjusted annual rates								
1967: I	639.3	78.3	41.1	0.0	47.6	23.4	21.1	3.1	615.2
II	646.2	78.3	42.0	.0	48.4	23.0	21.7	3.2	622.2
III	658.5	79.1	42.8	.0	49.0	23.6	22.0	3.2	634.5
IV	672.0	81.1	43.7	.0	50.0	24.3	21.1	3.3	645.9
1968: I	688.8	82.5	45.4	.0	52.9	25.0	22.2	3.3	664.3
II	707.4	88.2	46.5	.0	55.3	25.7	22.9	3.4	680.1
III	724.1	90.6	47.6	.0	56.7	26.4	23.6	3.4	696.1
IV	737.3	90.3	48.6	.0	58.1	27.4	23.8	3.5	711.2
1969: I	751.3	89.5	52.7	.0	60.1	27.9	23.8	3.5	724.4
II	765.7	89.2	53.8	.0	61.3	28.5	24.3	3.6	740.5
III	780.6	88.8	55.1	.0	62.5	28.9	24.9	3.6	756.5
IV p	----------	----------	56.1	.0	63.6	29.5	25.2	3.6	766.9

Source: Department of Commerce, Office of Business Economics.

TABLE C–15.—*Disposition of personal income, 1929–69*

Year or quarter	Personal income	Less: Personal tax and nontax payments	Equals: Disposable personal income	Less: Personal outlays				Equals: Personal saving	Percent of disposable personal income		
				Total	Personal consumption expenditures	Interest paid by consumers	Personal transfer payments to foreigners		Personal outlays		Personal saving
									Total	Consumption expenditures	
	Billions of dollars								Percent		
1929	85.9	2.6	83.3	79.1	77.2	1.5	0.3	4.2	95.0	92.7	5.0
1930	77.0	2.5	74.5	71.1	69.9	.9	.3	3.4	95.4	93.8	4.6
1931	65.9	1.9	64.0	61.4	60.5	.7	.3	2.6	95.9	94.4	4.1
1932	50.2	1.5	48.7	49.3	48.6	.5	.2	−.6	101.3	99.8	−1.3
1933	47.0	1.5	45.5	46.5	45.8	.5	.2	−.9	102.0	100.6	−2.0
1934	54.0	1.6	52.4	52.0	51.3	.5	.2	.4	99.3	98.0	.7
1935	60.4	1.9	58.5	56.4	55.7	.5	.2	2.1	96.3	95.2	3.7
1936	68.6	2.3	66.3	62.7	61.9	.6	.2	3.6	94.6	93.3	5.4
1937	74.1	2.9	71.2	67.4	66.5	.7	.2	3.8	94.7	93.4	5.3
1938	68.3	2.9	65.5	64.8	63.9	.7	.2	.7	98.9	97.6	1.1
1939	72.8	2.4	70.3	67.7	66.8	.7	.2	2.6	96.3	95.0	3.7
1940	78.3	2.6	75.7	71.8	70.8	.8	.2	3.8	94.9	93.6	5.1
1941	96.0	3.3	92.7	81.7	80.6	.9	.2	11.0	88.2	86.9	11.8
1942	122.9	6.0	116.9	89.3	88.5	.7	.1	27.6	76.4	75.7	23.6
1943	151.3	17.8	133.5	100.1	99.3	.5	.2	33.4	75.0	74.4	25.0
1944	165.3	18.9	146.3	109.1	108.3	.5	.4	37.3	74.5	74.0	25.5
1945	171.1	20.9	150.2	120.7	119.7	.5	.5	29.6	80.3	79.7	19.7
1946	178.7	18.7	160.0	144.8	143.4	.8	.7	15.2	90.5	89.6	9.5
1947	191.3	21.4	169.8	162.5	160.7	1.1	.7	7.3	95.7	94.6	4.3
1948	210.2	21.1	189.1	175.8	173.6	1.5	.7	13.4	92.9	91.8	7.1
1949	207.2	18.6	188.6	179.2	176.8	1.9	.5	9.4	95.0	93.8	5.0
1950	227.6	20.7	206.9	193.9	191.0	2.4	.5	13.1	93.7	92.3	6.3
1951	255.6	29.0	226.6	209.3	206.3	2.7	.4	17.3	92.4	91.0	7.6
1952	272.5	34.1	238.3	220.2	216.7	3.0	.4	18.1	92.4	90.9	7.6
1953	288.2	35.6	252.6	234.3	230.0	3.8	.5	18.3	92.8	91.1	7.2
1954	290.1	32.7	257.4	241.0	236.5	4.0	.5	16.4	93.6	91.9	6.4
1955	310.9	35.5	275.3	259.5	254.4	4.7	.5	15.8	94.3	92.4	5.7
1956	333.0	39.8	293.2	272.6	266.7	5.4	.6	20.6	93.0	91.0	7.0
1957	351.1	42.6	308.5	287.8	281.4	5.8	.6	20.7	93.3	91.2	6.7
1958	361.2	42.3	318.8	296.6	290.1	5.9	.6	22.3	93.0	91.0	7.0
1959	383.5	46.2	337.3	318.3	311.2	6.5	.6	19.1	94.4	92.3	5.6
1960	401.0	50.9	350.0	333.0	325.2	7.3	.5	17.0	95.1	92.9	4.9
1961	416.8	52.4	364.4	343.3	335.2	7.6	.5	21.2	94.2	92.0	5.8
1962	442.6	57.4	385.3	363.7	355.1	8.1	.5	21.6	94.4	92.2	5.6
1963	465.5	60.9	404.6	384.7	375.0	9.1	.6	19.9	95.1	92.7	4.9
1964	497.5	59.4	438.1	411.9	401.2	10.1	.6	26.2	94.0	91.6	6.0
1965	538.9	65.7	473.2	444.8	432.8	11.3	.7	28.4	94.0	91.5	6.0
1966	587.2	75.4	511.9	479.3	466.3	12.4	.6	32.5	93.6	91.1	6.4
1967	629.4	82.9	546.5	506.2	492.3	13.1	.8	40.4	92.6	90.1	7.4
1968	687.9	97.9	590.0	551.6	536.6	14.2	.8	38.4	93.5	91.0	6.5
1969 p	747.1	117.5	629.6	592.0	576.0	15.3	.7	37.6	94.0	91.5	6.0
	Seasonally adjusted annual rates										
1967: I	615.2	80.8	534.4	494.5	480.9	12.9	0.6	40.0	92.5	90.0	7.5
II	622.2	80.6	541.6	503.9	489.8	13.0	1.1	37.7	93.0	90.4	7.0
III	634.5	84.1	550.3	509.7	495.7	13.2	.7	40.7	92.6	90.1	7.4
IV	645.9	86.1	559.8	516.6	502.6	13.4	.6	43.1	92.3	89.8	7.7
1968: I	664.3	89.3	575.0	535.1	520.6	13.7	.7	39.9	93.1	90.5	6.9
II	680.1	92.7	587.4	545.1	530.3	14.0	.7	42.3	92.8	90.3	7.2
III	696.1	102.6	593.4	560.2	544.9	14.4	.8	33.2	94.4	91.8	5.6
IV	711.2	107.0	604.3	566.2	550.7	14.7	.7	38.0	93.7	91.1	6.3
1969: I	724.4	114.2	610.2	577.7	562.0	15.0	.7	32.5	94.7	92.1	5.3
II	740.5	118.5	622.0	588.8	572.8	15.2	.7	33.3	94.7	92.1	5.3
III	756.5	117.5	639.0	596.0	579.8	15.4	.8	43.1	93.3	90.7	6.7
IV p	766.9	119.8	647.1	605.5	589.2	15.5	.7	41.6	93.6	91.1	6.4

Source: Department of Commerce, Office of Business Economics.

TABLE C-16.—*Total and per capita disposable personal income and personal consumption expenditures, in current and 1958 prices, 1929–69*

Year or quarter	Disposable personal income				Personal consumption expenditures				Population (thousands) [1]
	Total (billions of dollars)		Per capita (dollars)		Total (billions of dollars)		Per capita (dollars)		
	Current prices	1958 prices	Current prices	1958 prices	Current prices	1958 prices	Current prices	1958 prices	
1929	83.3	150.6	683	1,236	77.2	139.6	634	1,145	121,875
1930	74.5	139.0	605	1,128	69.9	130.4	567	1,059	123,188
1931	64.0	133.7	516	1,077	60.5	126.1	487	1,016	124,149
1932	48.7	115.1	390	921	48.6	114.8	389	919	124,949
1933	45.5	112.2	362	893	45.8	112.8	364	897	125,690
1934	52.4	120.4	414	952	51.3	118.1	406	934	126,485
1935	58.5	131.8	459	1,035	55.7	125.5	437	985	127,362
1936	66.3	148.4	518	1,158	61.9	138.4	483	1,080	128,181
1937	71.2	153.1	552	1,187	66.5	143.1	516	1,110	128,961
1938	65.5	143.6	504	1,105	63.9	140.2	492	1,079	129,969
1939	70.3	155.9	537	1,190	66.8	148.2	510	1,131	131,028
1940	75.7	166.3	573	1,259	70.8	155.7	536	1,178	132,122
1941	92.7	190.3	695	1,427	80.6	165.4	604	1,240	133,402
1942	116.9	213.4	867	1,582	88.5	161.4	656	1,197	134,860
1943	133.5	222.8	976	1,629	99.3	165.8	726	1,213	136,739
1944	146.3	231.6	1,057	1,673	108.3	171.4	782	1,238	138,397
1945	150.2	229.7	1,074	1,642	119.7	183.0	855	1,308	139,928
1946	160.0	227.0	1,132	1,606	143.4	203.5	1,014	1,439	141,389
1947	169.8	218.0	1,178	1,513	160.7	206.3	1,115	1,431	144,126
1948	189.1	229.8	1,290	1,567	173.6	210.8	1,184	1,438	146,631
1949	188.6	230.8	1,264	1,547	176.8	216.5	1,185	1,451	149,188
1950	206.9	249.6	1,364	1,646	191.0	230.5	1,259	1,520	151,684
1951	226.6	255.7	1,469	1,657	206.3	232.8	1,337	1,509	154,287
1952	238.3	263.3	1,518	1,678	216.7	239.4	1,381	1,525	156,954
1953	252.6	275.4	1,583	1,726	230.0	250.8	1,441	1,572	159,565
1954	257.4	278.3	1,585	1,714	236.5	255.7	1,456	1,575	162,391
1955	275.3	296.7	1,666	1,795	254.4	274.2	1,539	1,659	165,275
1956	293.2	309.3	1,743	1,839	266.7	281.4	1,585	1,673	168,221
1957	308.5	315.8	1,801	1,844	281.4	288.2	1,643	1,683	171,274
1958	318.8	318.8	1,831	1,831	290.1	290.1	1,666	1,666	174,141
1959	337.3	333.0	1,905	1,881	311.2	307.3	1,758	1,735	177,073
1960	350.0	340.2	1,937	1,883	325.2	316.1	1,800	1,749	180,684
1961	364.4	350.7	1,983	1,909	335.2	322.5	1,824	1,755	183,756
1962	385.3	367.3	2,064	1,968	355.1	338.4	1,902	1,813	186,656
1963	404.6	381.3	2,136	2,013	375.0	353.3	1,980	1,865	189,417
1964	438.1	407.9	2,280	2,123	401.2	373.7	2,088	1,945	192,120
1965	473.2	435.0	2,432	2,235	432.8	397.7	2,224	2,044	194,592
1966	511.9	458.9	2,599	2,331	466.3	418.1	2,368	2,123	196,907
1967	546.5	477.7	2,745	2,399	492.3	430.3	2,472	2,161	199,114
1968	590.0	497.6	2,933	2,474	536.6	452.6	2,668	2,250	201,152
1969 p	629.6	509.4	3,098	2,507	576.0	466.0	2,834	2,293	203,216
	Seasonally adjusted annual rates								
1967: I	534.4	471.6	2,694	2,378	480.9	424.4	2,425	2,140	198,349
II	541.6	476.0	2,724	2,394	489.8	430.5	2,463	2,165	198,845
III	550.3	479.4	2,760	2,404	495.7	431.9	2,486	2,166	199,417
IV	559.8	483.7	2,799	2,419	502.6	434.3	2,513	2,172	199,996
1968: I	575.0	492.1	2,869	2,455	520.6	445.6	2,597	2,223	200,425
II	587.4	497.4	2,924	2,476	530.3	449.0	2,640	2,235	200,899
III	593.4	498.9	2,946	2,477	544.9	458.2	2,705	2,275	201,450
IV	604.3	502.1	2,991	2,485	550.7	457.6	2,726	2,265	202,015
1969: I	610.2	502.6	3,014	2,482	562.0	462.9	2,776	2,286	202,472
II	622.0	506.2	3,065	2,494	572.8	466.2	2,822	2,297	202,964
III	639.0	514.1	3,140	2,526	579.8	466.5	2,849	2,292	203,507
IV p	647.1	514.5	3,171	2,521	589.2	468.5	2,887	2,295	204,093

[1] Population of the United States including Armed Forces overseas; includes Alaska and Hawaii beginning 1960. Annual data are for July 1; quarterly data are for middle of period, interpolated from monthly data.

Sources: Department of Commerce (Office of Business Economics and Bureau of the Census) and Council of Economic Advisers.

TABLE C-17.—*Sources of personal income, 1929–69*

[Billions of dollars]

Year or quarter	Total personal income	Wage and salary disbursements [1]: Total	Wage and salary disbursements: Commodity-producing industries: Total	Commodity-producing industries: Manufacturing	Distributive industries	Service industries	Government	Other labor income [1]	Proprietors' income: Business and professional	Proprietors' income: Farm [2]
1929	85.9	50.4	21.5	16.1	15.6	8.4	4.9	0.6	9.0	6.2
1930	77.0	46.2	18.5	13.8	14.5	8.0	5.2	.6	7.6	4.3
1931	65.9	39.1	14.3	10.8	12.5	7.1	5.3	.5	5.8	3.4
1932	50.2	30.5	9.9	7.7	9.8	5.8	5.0	.5	3.6	2.1
1933	47.0	29.0	9.8	7.8	8.8	5.2	5.1	.4	3.3	2.6
1934	54.0	33.7	12.1	9.6	9.9	5.7	6.1	.4	4.7	3.0
1935	60.4	36.7	13.5	10.8	10.7	5.9	6.5	.5	5.5	5.3
1936	68.6	41.9	15.8	12.4	11.8	6.5	7.9	.6	6.7	4.3
1937	74.1	46.1	18.4	14.6	13.2	7.1	7.5	.6	7.2	6.0
1938	68.3	43.0	15.3	11.8	12.6	6.8	8.2	.6	6.9	4.4
1939	72.8	45.9	17.4	13.6	13.3	7.1	8.2	.6	7.4	4.4
1940	78.3	49.8	19.7	15.6	14.2	7.5	8.4	.7	8.6	4.5
1941	96.0	62.1	27.5	21.7	16.3	8.1	10.2	.7	11.1	6.4
1942	122.9	82.1	39.1	30.9	18.0	9.0	16.0	.9	14.0	9.8
1943	151.3	105.6	48.9	40.9	20.1	9.9	26.6	1.1	17.0	11.7
1944	165.3	116.9	50.3	42.9	22.7	10.9	33.0	1.5	18.2	11.6
1945	171.1	117.5	45.8	38.2	24.8	12.0	34.9	1.8	19.2	12.2
1946	178.7	112.0	46.0	36.5	31.0	14.4	20.7	1.9	21.6	14.9
1947	191.3	123.0	54.3	42.5	35.2	16.1	17.4	2.3	20.3	15.2
1948	210.2	135.3	61.0	47.2	37.6	17.9	18.9	2.7	22.7	17.5
1949	207.2	134.6	57.7	44.7	37.7	18.6	20.6	3.0	22.6	12.7
1950	227.6	146.7	64.6	50.3	39.9	19.9	22.4	3.8	24.0	13.5
1951	255.6	171.0	76.1	59.4	44.3	21.7	28.9	4.8	26.1	15.8
1952	272.5	185.1	81.8	64.2	46.9	23.3	33.1	5.3	27.1	15.0
1953	288.2	198.3	89.4	71.2	49.8	25.1	34.1	6.0	27.5	13.0
1954	290.1	196.5	85.4	67.6	50.2	26.4	34.6	6.3	27.6	12.4
1955	310.9	211.3	92.8	73.9	53.4	28.9	36.2	7.3	30.3	11.4
1956	333.0	227.8	100.2	79.5	57.7	31.6	38.3	8.4	31.3	11.4
1957	351.1	238.7	103.8	82.5	60.5	33.9	40.4	9.5	32.8	11.3
1958	361.2	239.9	99.7	78.7	60.8	35.9	43.5	9.9	33.2	13.4
1959	383.5	258.2	109.1	86.9	64.8	38.7	45.6	11.3	35.1	11.4
1960	401.0	270.8	112.5	89.7	68.1	41.5	48.7	12.0	34.2	12.0
1961	416.8	278.1	112.8	89.8	69.1	44.0	52.2	12.7	35.6	12.8
1962	442.6	296.1	120.8	96.7	72.5	46.8	56.0	13.9	37.1	13.0
1963	465.5	311.1	125.7	100.6	76.0	49.9	59.5	14.9	37.9	13.1
1964	497.5	333.7	134.1	107.2	81.2	54.1	64.3	16.6	40.2	12.1
1965	538.9	358.9	144.5	115.6	86.9	58.3	69.3	18.7	42.4	14.8
1966	587.2	394.5	159.3	128.1	93.8	63.7	77.7	20.7	45.2	16.1
1967	629.4	423.5	166.5	134.2	100.3	70.5	86.2	22.1	47.2	14.7
1968	687.9	465.0	181.5	145.9	109.2	78.3	96.0	24.2	49.2	14.6
1969 p	747.1	509.8	197.7	157.5	119.5	88.1	104.5	26.2	50.2	16.1
	Seasonally adjusted annual rates									
1967: I	615.2	413.2	164.5	132.3	97.9	67.8	83.0	21.8	46.5	14.3
II	622.2	417.7	163.9	132.3	99.4	69.7	84.7	21.9	47.1	14.7
III	634.5	426.5	167.2	134.6	101.0	71.4	86.9	22.3	47.8	14.8
IV	645.9	436.5	170.6	137.4	102.7	72.9	90.3	22.6	47.5	14.9
1968: I	664.3	448.2	175.7	141.2	105.1	75.1	92.3	23.4	48.4	14.8
II	680.1	459.0	179.3	144.2	107.9	77.3	94.5	23.9	49.2	14.3
III	696.1	470.7	183.0	147.4	110.8	78.9	97.9	24.5	49.3	14.8
IV	711.2	482.1	187.8	150.7	113.1	82.0	99.2	25.0	49.7	14.4
1969: I	724.4	493.3	191.5	153.3	115.5	85.4	100.8	25.5	49.7	14.9
II	740.5	504.3	196.5	156.6	118.3	87.1	102.4	26.0	50.1	16.4
III	756.5	516.9	200.5	159.9	121.1	88.7	106.6	26.4	50.5	16.8
IV p	766.9	524.8	202.1	160.3	123.2	91.2	108.4	26.9	50.4	16.3

See footnotes at end of table.

TABLE C-17.—*Sources of personal income, 1929–69*—Continued

[Billions of dollars]

Year or quarter	Rental income of persons	Dividends	Personal interest income	Transfer payments: Total	Transfer payments: Old-age, survivors, disability, and health insurance benefits	Transfer payments: State unemployment insurance benefits	Transfer payments: Veterans' benefits	Transfer payments: Other	Less: Personal contributions for social insurance	Nonagricultural personal income [3]
1929	5.4	5.8	7.2	1.5	----------	----------	0.6	0.9	0.1	77.6
1930	4.8	5.5	6.8	1.5	----------	----------	.6	.9	.1	70.8
1931	3.8	4.1	6.7	2.7	----------	----------	1.6	1.1	.2	60.8
1932	2.7	2.5	6.3	2.2	----------	----------	.8	1.4	.2	46.7
1933	2.0	2.0	5.7	2.1	----------	----------	.5	1.6	.2	43.2
1934	1.7	2.6	5.8	2.2	----------	----------	.4	1.8	.2	49.8
1935	1.7	2.8	5.7	2.4	----------	----------	.5	1.9	.2	53.9
1936	1.8	4.5	5.5	3.5	----------	----------	1.9	1.6	.2	63.0
1937	2.1	4.7	5.6	2.4	*	*	.6	1.8	.6	66.7
1938	2.6	3.2	5.5	2.8	*	0.4	.5	1.9	.6	62.6
1939	2.7	3.8	5.5	3.0	*	.4	.5	2.0	.6	66.9
1940	2.9	4.0	5.4	3.1	*	.5	.5	2.0	.7	72.3
1941	3.5	4.4	5.5	3.1	0.1	.3	.5	2.2	.8	87.8
1942	4.5	4.3	5.3	3.1	.1	.3	.5	2.2	1.2	111.0
1943	5.1	4.4	5.3	3.0	.2	.1	.5	2.2	1.8	137.3
1944	5.4	4.6	5.6	3.6	.2	.1	.9	2.4	2.2	151.2
1945	5.6	4.6	6.3	6.2	.3	.4	2.8	2.7	2.3	156.4
1946	6.6	5.6	6.8	11.3	.4	1.1	6.7	3.1	2.0	161.0
1947	7.1	6.3	7.5	11.7	.5	.8	6.7	3.7	2.1	173.0
1948	8.0	7.0	7.9	11.2	.6	.8	5.8	4.1	2.2	189.4
1949	8.4	7.2	8.5	12.4	.7	[4]1.7	5.1	4.9	2.2	191.3
1950	9.4	8.8	9.2	15.1	1.0	1.4	4.9	7.9	2.9	210.9
1951	10.3	8.6	9.9	12.5	1.9	.8	3.9	5.9	3.4	236.4
1952	11.5	8.6	10.6	13.0	2.2	1.0	3.9	6.0	3.8	254.1
1953	12.7	8.9	11.8	14.0	3.0	1.0	3.7	6.3	4.0	271.9
1954	13.6	9.3	13.1	16.0	3.6	2.0	3.9	6.5	4.6	274.7
1955	13.9	10.5	14.2	17.3	4.9	1.4	4.3	6.8	5.2	296.4
1956	14.3	11.3	15.7	18.5	5.7	1.4	4.3	7.2	5.8	318.5
1957	14.8	11.7	17.6	21.4	7.3	1.8	4.4	7.9	6.7	336.6
1958	15.4	11.6	18.9	25.7	8.5	3.9	4.6	8.7	6.9	344.3
1959	15.6	12.6	20.7	26.6	10.2	2.5	4.6	9.4	7.9	368.5
1960	15.8	13.4	23.4	28.5	11.1	2.8	4.6	10.0	9.3	385.2
1961	16.0	13.8	25.0	32.4	12.6	4.0	4.8	10.9	9.6	400.0
1962	16.7	15.2	27.7	33.3	14.3	2.9	4.8	11.2	10.3	425.5
1963	17.1	16.5	31.4	35.3	15.2	2.8	5.0	12.2	11.8	448.1
1964	18.0	17.8	34.9	36.7	16.0	2.6	5.3	12.9	12.5	480.9
1965	19.0	19.8	38.7	39.9	18.1	2.2	5.6	14.0	13.4	519.5
1966	20.0	20.8	43.6	44.1	20.8	1.8	5.7	15.7	17.7	566.3
1967	20.8	21.5	48.3	52.0	25.7	2.1	6.6	17.6	20.6	609.7
1968	21.2	23.1	54.1	59.2	30.3	2.1	7.2	19.7	22.6	667.9
1969 p	21.6	24.6	59.3	65.5	33.1	2.1	8.2	22.0	26.2	725.1
	Seasonally adjusted annual rates									
1967: I	20.6	21.1	46.8	50.7	24.5	2.1	6.5	17.7	19.8	595.8
II	20.8	21.7	47.3	51.6	25.8	2.1	6.5	17.1	20.4	602.5
III	20.9	22.0	48.7	52.2	26.0	2.2	6.5	17.5	20.8	614.5
IV	21.0	21.1	50.2	53.3	26.4	2.0	6.8	18.1	21.2	625.8
1968: I	21.1	22.2	51.7	56.3	28.2	2.2	7.1	18.9	21.8	644.1
II	21.2	22.9	53.2	58.7	30.3	1.9	7.2	19.4	22.4	660.4
III	21.2	23.6	54.8	60.1	30.9	2.1	7.1	20.0	22.9	675.7
IV	21.4	23.8	56.7	61.6	31.8	2.0	7.3	20.5	23.3	691.2
1969: I	21.5	23.8	57.6	63.6	32.4	2.2	7.8	21.3	25.4	703.7
II	21.6	24.3	58.8	64.9	32.9	1.9	8.2	21.9	25.9	718.2
III	21.7	24.9	59.8	66.1	33.3	2.2	8.4	22.2	26.6	733.9
IV p	21.8	25.2	61.1	67.2	33.7	2.2	8.6	22.6	27.0	744.7

[1] The total of wage and salary disbursements and other labor income differs from compensation of employees in Table C-12 in that it excludes employer contributions for social insurance and the excess of wage accruals over wage disbursements.

[2] Includes change in inventories.

[3] Nonagricultural income is personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.

Source: Department of Commerce, Office of Business Economics.

Table C-18.—*Sources and uses of gross saving, 1929–69*

[Billions of dollars]

Year or quarter	Gross private saving and government surplus or deficit, national income and product accounts							Gross investment			Statistical discrepancy
	Total	Private saving			Government surplus or deficit (–)			Total	Gross private domestic investment	Net foreign investment [1]	
		Total	Personal saving	Gross business saving	Total	Federal	State and local				
1929	16.3	15.3	4.2	11.2	1.0	1.2	–0.2	17.0	16.2	0.8	0.7
1930	11.8	12.1	3.4	8.6	–.3	.3	–.6	11.0	10.3	.7	–.8
1931	5.1	8.0	2.6	5.3	–2.9	–2.1	–.8	5.8	5.6	.2	.7
1932	.8	2.5	–.6	3.2	–1.8	–1.5	–.3	1.1	1.0	.2	.3
1933	.9	2.3	–.9	3.2	–1.4	–1.3	–.1	1.6	1.4	.2	.6
1934	3.2	5.6	.4	5.2	–2.4	–2.9	.5	3.8	3.3	.4	.5
1935	6.6	8.6	2.1	6.4	–2.0	–2.6	.6	6.4	6.4	–.1	–.2
1936	7.2	10.3	3.6	6.7	–3.1	–3.6	.5	8.4	8.5	–.1	1.2
1937	11.9	11.5	3.8	7.7	.3	–.4	.7	11.8	11.8	.1	*
1938	7.0	8.7	.7	8.0	–1.8	–2.1	.4	7.6	6.5	1.1	.6
1939	8.8	11.0	2.6	8.4	–2.2	–2.2	([2])	10.2	9.3	.9	1.3
1940	13.6	14.3	3.8	10.5	–.7	–1.3	.6	14.6	13.1	1.5	1.0
1941	18.6	22.4	11.0	11.4	–3.8	–5.1	1.3	19.0	17.9	1.1	.4
1942	10.7	42.0	27.6	14.5	–31.4	–33.1	1.8	9.6	9.8	–.2	–1.1
1943	5.5	49.7	33.4	16.3	–44.1	–46.6	2.5	3.5	5.7	–2.2	–2.0
1944	2.5	54.3	37.3	17.1	–51.8	–54.5	2.7	5.0	7.1	–2.1	2.5
1945	5.2	44.7	29.6	15.1	–39.5	–42.1	2.6	9.1	10.6	–1.4	3.9
1946	35.1	29.7	15.2	14.5	5.4	3.5	1.9	35.2	30.6	4.6	.1
1947	42.0	27.5	7.3	20.2	14.4	13.4	1.0	42.9	34.0	8.9	.9
1948	49.9	41.4	13.4	28.0	8.5	8.4	.1	47.9	46.0	1.9	–2.0
1949	35.9	39.0	9.4	29.7	–3.2	–2.4	–.7	36.2	35.7	.5	.3
1950	50.4	42.5	13.1	29.4	7.8	9.1	–1.2	51.8	54.1	–2.2	1.5
1951	56.1	50.3	17.3	33.1	5.8	6.2	–.4	59.5	59.3	.2	3.3
1952	49.5	53.3	18.1	35.1	–3.8	–3.8	([3])	51.6	51.9	–.3	2.2
1953	47.5	54.4	18.3	36.1	–6.9	–7.0	.1	50.5	52.6	–2.1	3.0
1954	48.5	55.6	16.4	39.2	–7.0	–5.9	–1.1	51.3	51.7	–.5	2.7
1955	64.8	62.1	15.8	46.3	2.7	4.0	–1.3	66.9	67.4	–.5	2.1
1956	72.7	67.8	20.6	47.3	4.9	5.7	–.9	71.6	70.0	1.5	–1.1
1957	71.2	70.5	20.7	49.8	.7	2.1	–1.4	71.2	67.8	3.4	*
1958	59.2	71.7	22.3	49.4	–12.5	–10.2	–2.3	60.7	60.9	–.2	1.6
1959	73.8	75.9	19.1	56.8	–2.1	–1.2	–.8	73.0	75.3	–2.3	–.8
1960	77.5	73.9	17.0	56.8	3.7	3.5	.2	76.5	74.8	1.7	–1.0
1961	75.5	79.8	21.2	58.7	–4.3	–3.8	–.5	74.7	71.7	3.0	–.8
1962	85.0	87.9	21.6	66.3	–2.9	–3.8	.9	85.5	83.0	2.5	.5
1963	90.5	88.7	19.9	68.8	1.8	.7	1.2	90.3	87.1	3.1	–.3
1964	101.0	102.4	26.2	76.2	–1.4	–3.0	1.7	99.7	94.0	5.7	–1.3
1965	115.3	113.1	28.4	84.7	2.2	1.2	1.0	112.2	108.1	4.1	–3.1
1966	124.9	123.8	32.5	91.3	1.1	–.2	1.3	123.9	121.4	2.4	–1.0
1967	119.2	133.7	40.4	93.3	–14.5	–12.7	–1.8	118.3	116.0	2.2	–1.0
1968	128.4	135.1	38.4	96.7	–6.7	–5.2	–1.5	125.9	126.3	–.3	–2.5
1969 p	145.2	136.2	37.6	98.6	9.0	9.7	–.7	139.0	139.6	–.6	–6.2
	Seasonally adjusted annual rates										
1967: I	117.5	131.6	40.0	91.6	–14.1	–12.0	–2.1	116.3	113.6	2.7	–1.2
II	113.6	129.6	37.7	91.9	–16.0	–13.2	–2.8	112.0	109.4	2.5	–1.7
III	119.9	134.5	40.7	93.8	–14.6	–13.4	–1.3	120.0	117.7	2.3	.1
IV	125.6	139.0	43.1	95.9	–13.4	–12.3	–1.0	124.5	123.3	1.3	–1.1
1968: I	120.5	132.0	39.9	92.1	–11.5	–8.4	–3.1	118.7	119.4	–.7	–1.8
II	128.8	139.6	42.3	97.2	–10.8	–9.5	–1.3	127.2	126.6	.6	–1.6
III	129.1	132.6	33.2	99.3	–3.5	–2.8	–.7	125.8	125.2	.6	–3.3
IV	135.4	136.3	38.0	98.3	–.9	–.1	–.8	132.0	133.9	–1.9	–3.4
1969: I	138.4	130.2	32.5	97.7	8.3	10.1	–1.8	134.2	135.2	–1.0	–4.2
II	142.7	131.3	33.3	98.0	11.4	13.5	–2.1	136.2	137.4	–1.2	–6.5
III	150.2	142.8	43.1	99.7	7.4	7.7	–.3	143.3	143.3	.0	–6.9
IV p	------	------	41.6	------	------	------	------	142.3	142.4	–.1	------

[1] Net exports of goods and services less net transfers to foreigners.
[2] Surplus of $32 million.
[3] Deficit of $41 million.

Note.—Corporate profits tax and related items for 1969 reflect repeal of investment tax credit.

Source: Department of Commerce, Office of Business Economics.

TABLE C-19.—*Saving by individuals, 1946–69* [1]

[Billions of dollars]

Year or quarter	Total	Increase in financial assets							Net investment in			Less: Increase in debt		
		Total [2]	Currency and demand deposits	Savings accounts	Securities: Government bonds [3]	Securities: Corporate and foreign bonds	Securities: Corporate stock [4]	Insurance and pension reserves ([5])	Nonfarm homes	Consumer durables	Noncorporate business assets	Mortgage debt on nonfarm homes	Consumer credit	Other debt [6]
1946	25.4	18.4	4.8	6.3	−1.1	−0.9	1.1	5.3	4.8	5.8	2.7	4.1	2.7	−0.4
1947	20.7	13.3	−.5	3.4	2.3	−.8	1.1	5.3	7.9	7.5	2.2	4.7	3.2	2.3
1948	23.9	9.2	−2.5	2.3	1.2	−.2	1.0	5.2	11.2	7.1	6.6	4.9	2.8	2.7
1949	19.2	10.0	−1.9	2.6	1.8	−.4	.8	5.5	10.1	7.0	1.4	4.2	2.9	2.2
1950	27.3	13.7	2.2	2.5	.3	−.8	.7	6.9	15.2	10.2	4.9	7.5	4.1	5.1
1951	30.3	18.0	4.6	4.5	−.5	−.2	1.5	6.2	13.9	5.5	4.3	6.8	1.2	3.2
1952	26.3	21.9	1.7	7.7	1.4	−.1	1.6	7.7	13.4	3.6	1.9	7.0	4.8	2.7
1953	29.9	22.1	.5	8.3	2.4	*	.9	7.9	14.0	6.4	1.1	7.6	3.9	2.2
1954	27.9	22.3	1.8	9.2	1.0	−.4	.7	7.9	14.8	4.9	1.6	9.0	1.1	5.7
1955	33.7	28.0	.8	8.8	5.9	1.1	1.1	8.4	18.4	9.9	2.7	12.3	6.4	6.7
1956	34.9	28.8	1.2	9.5	3.4	.9	2.0	9.6	16.7	5.9	1.6	11.0	3.5	3.7
1957	33.5	28.1	−.5	12.1	1.9	1.0	1.5	9.5	14.5	4.9	1.6	8.7	2.6	4.3
1958	32.3	31.0	3.2	14.0	−1.5	.7	1.5	10.0	14.1	.6	1.9	9.1	.2	6.0
1959	33.2	35.0	.5	11.4	7.9	.6	.6	11.4	18.2	5.5	1.4	12.6	6.4	7.8
1960	28.9	28.3	−1.4	12.4	2.9	*	−.4	11.6	15.8	5.1	.8	10.5	4.6	6.0
1961	30.9	34.3	.7	17.4	.7	.4	.4	12.2	14.5	2.9	.6	11.0	1.8	8.6
1962	37.3	39.3	2.9	23.4	.8	−.5	−2.0	12.8	16.5	6.7	1.8	12.7	5.8	8.4
1963	37.7	43.7	4.3	23.0	4.3	−.6	−2.7	13.9	17.5	8.9	2.1	14.9	7.9	11.6
1964	45.0	51.3	6.5	23.9	4.2	−.5	−.1	15.2	17.7	11.2	1.0	15.8	8.5	11.9
1965	52.5	56.0	7.3	26.4	4.4	.8	−1.9	17.1	17.5	14.8	3.4	15.3	10.0	13.9
1966	54.5	52.8	3.1	19.1	7.8	2.0	−1.0	18.1	16.0	15.2	2.7	11.8	7.2	13.1
1967	61.7	66.7	10.2	32.5	−.6	4.6	−4.9	20.1	14.3	12.4	2.0	11.1	4.6	18.1
1968	59.9	66.6	10.7	27.7	6.9	4.0	−7.7	19.3	19.2	16.9	1.3	15.0	11.1	18.0
1967: I	14.4	11.8	−1.1	9.0	−1.5	.7	−.8	4.4	2.6	.8	.8	1.6	−2.3	2.2
II	7.2	12.3	2.0	10.0	−4.7	.6	−2.2	5.7	2.8	3.8	.6	2.0	2.1	8.1
III	19.2	20.7	3.7	8.0	3.6	1.3	−1.6	5.0	4.3	2.1	.3	3.4	1.3	3.6
IV	20.3	21.1	6.9	5.5	.5	1.5	−.2	5.0	4.7	5.7	.2	4.0	3.5	3.9
1968: I	16.3	13.5	−5.0	8.1	3.9	.6	.7	4.3	4.0	1.7	.9	3.5	−1.2	1.5
II	4.7	11.0	*	5.7	−.8	1.6	−2.4	5.4	4.3	4.4	.7	3.5	3.6	8.5
III	18.5	19.8	6.2	6.3	3.2	.9	−2.6	4.8	5.3	3.3	−.3	3.7	3.0	2.8
IV	18.1	19.3	5.7	7.7	.7	1.3	−3.3	5.0	5.4	7.5	*	4.3	5.6	4.3
1969: I	16.2	14.4	−4.6	7.5	5.7	.9	.3	4.1	4.7	2.2	.4	3.7	−1.2	3.0
II	5.1	9.8	2.5	2.9	−1.0	.8	−2.2	5.9	4.8	5.0	.4	4.1	4.0	6.7
III	20.8	21.2	3.8	−2.1	12.3	2.5	−1.2	5.1	5.3	2.8	−.2	4.1	1.6	2.6

[1] Individuals' saving sector includes households, private trust funds, nonprofit institutions, farms, and other noncorporate businesses. Revisions in account structure and estimation procedure are reflected in these data.

[2] Includes miscellaneous financial assets not shown separately.

[3] U.S. Government and agency securities and State and local obligations.

[4] Includes investment company shares.

[5] Private life insurance reserves, private insured and noninsured pension reserves, and government insurance and pension reserves.

[6] Security credit, policy loans, noncorporate business debt, and other debt.

Sources: Securities and Exchange Commission and Board of Governors of the Federal Reserve System.

TABLE C–20.—*Number and money income (in 1968 prices) of families and unrelated individuals, by race of head, 1947–68*

Year	Total: Total number (millions)	Total: Median income	Total: With incomes under $3,000: Number (millions)	Total: With incomes under $3,000: Percent	White: Total number (millions)	White: Median income	White: With incomes under $3,000: Number (millions)	White: With incomes under $3,000: Percent	Negro and other races: Total number (millions)	Negro and other races: Median income	Negro and other races: With incomes under $3,000: Number (millions)	Negro and other races: With incomes under $3,000: Percent
FAMILIES: [1]												
1947	37.2	$4,716	9.7	26.0	34.1	$4,916	7.8	22.8	3.1	$2,514	1.9	60.0
1948	38.6	4,613	10.3	26.7	35.3	4,790	8.4	23.5	3.3	2,559	1.9	58.0
1949	39.3	4,537	11.0	28.0	......	4,718	......	25.2	......	2,414	......	60.8
1950	39.9	4,804	10.4	26.1	......	4,985	......	23.4	......	2,704	......	55.4
1951	40.6	4,965	9.9	24.3	......	5,173	......	21.2	......	2,725	......	54.9
1952	40.8	5,105	9.4	23.1	......	5,402	......	20.0	......	3,064	......	48.8
1953	41.2	5,524	9.0	21.9	......	5,733	......	19.4	......	3,229	......	46.4
1954	42.0	5,402	9.8	23.4	38.2	5,629	8.0	20.9	3.8	3,126	1.8	48.4
1955	42.9	5,744	9.0	20.9	39.0	5,991	7.2	18.4	3.9	3,320	1.8	45.7
1956	43.5	6,120	8.3	19.1	39.5	6,404	6.5	16.4	4.0	3,380	1.8	44.4
1957	43.7	6,131	8.5	19.4	39.7	6,379	6.7	16.6	4.0	3,421	1.8	44.9
1958	44.2	6,120	8.6	19.4	40.2	6,377	6.7	16.6	4.0	3,270	1.9	46.8
1959	45.1	6,472	8.1	18.0	40.9	6,742	6.3	15.5	4.2	3,482	1.8	43.8
1960	45.5	6,604	8.1	17.9	41.1	6,857	6.4	15.5	4.3	3,794	1.7	40.5
1961	46.3	6,671	8.3	18.0	41.9	6,957	6.4	15.3	4.5	3,709	1.9	41.2
1962	47.0	6,851	7.8	16.7	42.4	7,170	6.0	14.4	4.6	3,825	1.8	38.3
1963	47.4	7,101	7.5	15.8	42.7	7,443	5.7	13.5	4.8	3,940	1.8	37.4
1964	47.8	7,367	7.1	14.9	43.1	7,691	5.5	13.1	4.8	4,303	1.6	32.8
1965	48.3	7,666	6.8	14.1	43.5	7,995	5.3	12.1	4.8	4,419	1.5	31.4
1966	48.9	7,971	6.4	13.0	44.0	8,290	5.0	11.3	4.9	4,945	1.4	27.8
1966 [2]	49.1	8,040	6.2	12.7	44.1	8,366	4.8	11.0	5.0	4,994	1.4	27.6
1967 [2]	49.8	8,318	5.9	11.8	44.8	8,625	4.6	10.2	5.0	5,352	1.3	25.9
1968 [2]	50.5	8,632	5.2	10.3	45.4	8,937	4.0	8.9	5.1	5,590	1.2	22.8
			With incomes under $1,500: Number (millions)	With incomes under $1,500: Percent			With incomes under $1,500: Number (millions)	With incomes under $1,500: Percent			With incomes under $1,500: Number (millions)	With incomes under $1,500: Percent
UNRELATED INDIVIDUALS: [3]												
1947	8.2	1,538	4.0	49.3	7.2	1,634	3.4	47.9	1.0	1,163	0.6	59.8
1948	8.4	1,463	4.3	51.1	7.3	1,524	3.6	49.6	1.1	1,148	.7	62.1
1949	9.0	1,532	4.5	49.6	......	1,654	......	47.7	......	1,205	......	60.3
1950	9.4	1,512	4.7	49.8	......	1,613	......	48.4	......	1,190	......	59.0
1951	9.1	1,598	4.4	48.6	......	1,682	......	47.6	......	1,299	......	55.1
1952	9.7	1,853	4.2	43.7	......	1,992	......	42.0	......	1,389	......	53.5
1953	9.5	1,822	4.3	45.2	......	1,923	......	44.1	......	1,504	......	49.9
1954	9.7	1,585	4.7	48.6	8.2	1,710	3.8	46.5	1.5	1,184	.9	59.9
1955	9.9	1,718	4.5	45.9	8.5	1,830	3.7	44.0	1.4	1,264	.8	57.2
1956	9.8	1,835	4.3	44.2	8.5	1,887	3.6	43.0	1.3	1,448	.7	51.5
1957	10.4	1,882	4.5	42.9	8.9	1,981	3.7	41.0	1.5	1,354	.8	54.7
1958	10.9	1,844	4.8	43.6	9.2	1,940	3.9	41.8	1.6	1,345	.9	54.7
1959	10.9	1,891	4.6	42.5	9.3	1,991	3.7	40.0	1.6	1,351	.9	54.2
1960	11.1	2,021	4.5	40.9	9.6	2,187	3.7	38.6	1.5	1,332	.8	55.2
1961	11.2	2,041	4.5	40.0	9.6	2,203	3.6	37.7	1.6	1,370	.9	54.0
1962	11.0	2,017	4.3	38.8	9.5	2,174	3.5	36.6	1.5	1,446	.8	51.8
1963	11.2	2,052	4.3	38.3	9.7	2,166	3.5	36.5	1.5	1,475	.8	50.7
1964	12.1	2,235	4.5	36.9	10.4	2,354	3.7	35.2	1.6	1,663	.8	47.0
1965	12.1	2,384	4.1	33.9	10.5	2,478	3.4	32.6	1.7	1,847	.7	42.8
1966	12.4	2,438	4.1	33.3	10.8	2,536	3.4	32.0	1.6	1,866	.7	42.8
1966 [2]	12.3	......	......	......	10.7	......	......	......	1.6	......	......	......
1967 [2]	13.1	2,491	4.3	32.8	11.3	2,607	3.6	31.4	1.8	1,917	.7	41.6
1968 [2]	13.8	2,786	4.0	28.8	12.0	2,952	3.3	27.2	1.8	1,999	.7	39.5

[1] The term "family" refers to a group of two or more persons related by blood, marriage, or adoption and residing together; all such persons are considered members of the same family.
[2] Based on revised methodology.
[3] The term "Unrelated individuals" refers to persons 14 years old and over (other than inmates of institutions) who are not living with any relatives.

Source: Department of Commerce, Bureau of the Census.

POPULATION, EMPLOYMENT, WAGES, AND PRODUCTIVITY

TABLE C–21.—*Population by age groups: Estimates, 1929–69, and projections, 1970–85* [1]

[Thousands of persons]

July 1	Total	Age (years)						
		Under 5	5–15	16–19	20–24	25–44	45–64	65 and over
Estimates:								
1929	121,767	11,734	26,800	9,127	10,694	35,862	21,076	6,474
1930	123,077	11,372	26,983	9,220	10,915	36,309	21,573	6,705
1931	124,040	11,179	26,984	9,259	11,003	36,654	22,031	6,928
1932	124,840	10,903	26,969	9,284	11,077	36,988	22,473	7,147
1933	125,579	10,612	26,897	9,302	11,152	37,319	22,933	7,363
1934	126,374	10,331	26,796	9,331	11,238	37,662	23,435	7,582
1935	127,250	10,170	26,645	9,381	11,317	37,987	23,947	7,804
1936	128,053	10,044	26,415	9,461	11,375	38,288	24,444	8,027
1937	128,825	10,009	26,062	9,578	11,411	38,589	24,917	8,258
1938	129,825	10,176	25,631	9,717	11,453	38,954	25,387	8,508
1939	130,880	10,418	25,179	9,822	11,519	39,354	25,823	8,764
1940	132,122	10,579	24,811	9,895	11,690	39,868	26,249	9,031
1941	133,402	10,850	24,516	9,840	11,807	40,383	26,718	9,288
1942	134,860	11,301	24,231	9,730	11,955	40,961	27,196	9,584
1943	136,739	12,016	24,093	9,607	12,064	41,420	27,671	9,867
1944	138,397	12,524	23,949	9,561	12,062	42,016	28,138	10,147
1945	139,928	12,979	23,907	9,361	12,036	42,521	28,630	10,494
1946	141,389	13,244	24,103	9,119	12,004	43,027	29,064	10,828
1947	144,126	14,406	24,468	9,097	11,814	43,657	29,498	11,185
1948	146,631	14,919	25,209	8,952	11,794	44,288	29,931	11,538
1949	149,188	15,607	25,852	8,788	11,700	44,916	30,405	11,921
1950	152,271	16,410	26,721	8,542	11,680	45,672	30,849	12,397
1951	154,878	17,333	27,279	8,446	11,552	46,103	31,362	12,803
1952	157,553	17,312	28,894	8,414	11,350	46,495	31,884	13,203
1953	160,184	17,638	30,227	8,460	11,062	46,786	32,394	13,617
1954	163,026	18,057	31,480	8,637	10,832	47,001	32,942	14,076
1955	165,931	18,566	32,682	8,744	10,714	47,194	33,506	14,525
1956	168,903	19,003	33,994	8,916	10,616	47,379	34,057	14,938
1957	171,984	19,494	35,272	9,195	10,603	47,440	34,591	15,388
1958	174,882	19,887	36,445	9,543	10,756	47,337	35,109	15,806
1959	177,830	20,175	37,368	10,215	10,969	47,192	35,663	16,248
1960	180,684	20,364	38,504	10,698	11,116	47,134	36,208	16,659
1961	183,756	20,657	39,768	11,093	11,408	47,061	36,756	17,013
1962	186,656	20,746	41,168	11,258	11,889	46,968	37,316	17,311
1963	189,417	20,750	41,620	12,061	12,620	46,932	37,869	17,565
1964	192,120	20,670	42,294	12,819	13,154	46,881	38,438	17,863
1965	194,592	20,404	42,963	13,563	13,679	46,807	39,015	18,162
1966	196,~~920~~ 07	19,811	43,822	14,304	14,063	46,855	39,601	18,464
1967	199,~~118~~ 4	19,191	44,488	14,167	15,197	47,077	40,194	18,796
1968	201,~~166~~ 42	18,521	44,977	14,338	15,788	47,614	40,768	19,129
1969 No 428	203,216	17,960	45,260	14,655	16,484	47,994	41,393	19,470
Projections: [1]								
1970: Series C	206,039	18,740	45,273	15,087	17,261	48,276	41,817	19,585
Series D	204,923	17,625						
1975: Series C	219,366	21,211	43,836	16,614	19,299	53,881	43,364	21,159
Series D	215,367	18,323	42,726					
1980: Series C	235,212	24,298	44,360	16,940	20,997	62,374	43,180	23,063
Series D	227,665	20,736	40,376					
1985: Series C	252,871	26,645	49,944	15,213	21,068	72,083	42,940	24,978
Series D	241,731	23,030	43,123	14,509				

[1] Two of four series projected by the cohort method and based on different assumptions with regard to completed fertility, which moves gradually toward a level of 2,775 children per 1,000 women for Series C and 2,450 children per 1,000 women for Series D. For further explanation of method of projection and for additional data, see "Population Estimates, Current Population Reports, Series P–25, No. 381," December 1967.

Note.—Data for Armed Forces overseas included beginning 1940. Includes Alaska and Hawaii beginning 1950.

Source: Department of Commerce, Bureau of the Census.

TABLE C-22.—*Noninstitutional population and the labor force, 1929–69*

Year or month	Noninstitutional population	Total labor force (including Armed Forces)	Armed Forces	Civilian labor force: Total	Civilian labor force: Employment: Total	Civilian labor force: Employment: Agricultural	Civilian labor force: Employment: Nonagricultural	Civilian labor force: Unemployment	Total labor force as percent of noninstitutional population	Unemployment as percent of civilian labor force
	Thousands of persons 14 years of age and over								Percent	
1929	....	49,440	260	49,180	47,630	10,450	37,180	1,550	....	3.2
1930	....	50,080	260	49,820	45,480	10,340	35,140	4,340	....	8.7
1931	....	50,680	260	50,420	42,400	10,290	32,110	8,020	....	15.9
1932	....	51,250	250	51,000	38,940	10,170	28,770	12,060	....	23.6
1933	....	51,840	250	51,590	38,760	10,090	28,670	12,830	....	24.9
1934	....	52,490	260	52,230	40,890	9,900	30,990	11,340	....	21.7
1935	....	53,140	270	52,870	42,260	10,110	32,150	10,610	....	20.1
1936	....	53,740	300	53,440	44,410	10,000	34,410	9,030	....	16.9
1937	....	54,320	320	54,000	46,300	9,820	36,480	7,700	....	14.3
1938	....	54,950	340	54,610	44,220	9,690	34,530	10,390	....	19.0
1939	....	55,600	370	55,230	45,750	9,610	36,140	9,480	....	17.2
1940	100,380	56,180	540	55,640	47,520	9,540	37,980	8,120	56.0	14.6
1941	101,520	57,530	1,620	55,910	50,350	9,100	41,250	5,560	56.7	9.9
1942	102,610	60,380	3,970	56,410	53,750	9,250	44,500	2,660	58.8	4.7
1943	103,660	64,560	9,020	55,540	54,470	9,080	45,390	1,070	62.3	1.9
1944	104,630	66,040	11,410	54,630	53,960	8,950	45,010	670	63.1	1.2
1945	105,530	65,300	11,440	53,860	52,820	8,580	44,240	1,040	61.9	1.9
1946	106,520	60,970	3,450	57,520	55,250	8,320	46,930	2,270	57.2	3.9
1947	107,608	61,758	1,590	60,168	57,812	8,256	49,557	2,356	57.4	3.9
	Thousands of persons 16 years of age and over								Percent	
1947	103,418	60,941	1,591	59,350	57,039	7,891	49,148	2,311	58.9	3.9
1948	104,527	62,080	1,459	60,621	58,344	7,629	50,713	2,276	59.4	3.8
1949	105,611	62,903	1,617	61,286	57,649	7,656	49,990	3,637	59.6	5.9
1950	106,645	63,858	1,650	62,208	58,920	7,160	51,760	3,288	59.9	5.3
1951	107,721	65,117	3,100	62,017	59,962	6,726	53,239	2,055	60.4	3.3
1952	108,823	65,730	3,592	62,138	60,254	6,501	53,753	1,883	60.4	3.0
1953	110,601	66,560	3,545	63,015	61,181	6,261	54,922	1,834	60.2	2.9
1954	111,671	66,993	3,350	63,643	60,110	6,206	53,903	3,532	60.0	5.5
1955	112,732	68,072	3,049	65,023	62,171	6,449	55,724	2,852	60.4	4.4
1956	113,811	69,409	2,857	66,552	63,802	6,283	57,517	2,750	61.0	4.1
1957	115,065	69,729	2,800	66,929	64,071	5,947	58,123	2,859	60.6	4.3
1958	116,363	70,275	2,636	67,639	63,036	5,586	57,450	4,602	60.4	6.8
1959	117,881	70,921	2,552	68,369	64,630	5,565	59,065	3,740	60.2	5.5
1960	119,759	72,142	2,514	69,628	65,778	5,458	60,318	3,852	60.2	5.5
1961	121,343	73,031	2,572	70,459	65,746	5,200	60,546	4,714	60.2	6.7
1962	122,981	73,442	2,828	70,614	66,702	4,944	61,759	3,911	59.7	5.5
1963	125,154	74,571	2,738	71,833	67,762	4,687	63,076	4,070	59.6	5.7
1964	127,224	75,830	2,739	73,091	69,305	4,523	64,782	3,786	59.6	5.2
1965	129,236	77,178	2,723	74,455	71,088	4,361	66,726	3,366	59.7	4.5
1966	131,180	78,893	3,123	75,770	72,895	3,979	68,915	2,875	60.1	3.8
1967	133,319	80,793	3,446	77,347	74,372	3,844	70,527	2,975	60.6	3.8
1968	135,562	82,272	3,535	78,737	75,920	3,817	72,103	2,817	60.7	3.6
1969	137,841	84,239	3,506	80,733	77,902	3,606	74,296	2,831	61.1	3.5
1968: Jan	134,576	79,811	3,464	76,347	73,273	3,366	69,908	3,074	59.3	4.0
Feb	134,744	80,869	3,467	77,402	74,114	3,462	70,653	3,288	60.0	4.2
Mar	134.904	80,938	3,491	77,447	74,517	3,537	70,980	2,929	60.0	3.8
Apr	135,059	81,141	3,507	77,634	75,143	3,851	71,292	2,491	60.1	3.2
May	135,249	81,770	3,536	78,234	75,931	3,996	71,935	2,303	60.5	2.9
June	135,440	84,454	3,567	80,887	77,273	4,516	72,757	3,614	62.4	4.5
July	135,639	84,550	3,586	80,964	77,746	4,476	73,270	3,217	62.3	4.0
Aug	135,839	83,792	3,589	80,203	77,432	4,107	73,325	2,772	61.7	3.5
Sept	136,036	82,137	3,591	78,546	75,939	3,836	72,103	2,606	60.4	3.3
Oct	136,221	82,477	3,603	78,874	76,364	3,767	72,596	2,511	60.5	3.2
Nov	136,420	82,702	3,517	79,185	76,609	3,607	73,001	2,577	60.6	3.3
Dec	136,619	82,618	3,500	79,118	76,700	3,279	73,421	2,419	60.5	3.1

See footnotes at end of table.

TABLE C–22.—*Noninstitutional population and the labor force, 1929–69*—Continued

Year or month	Noninstitutional population	Total labor force (including Armed Forces)	Armed Forces	Civilian labor force: Total	Civilian labor force: Employment: Total	Civilian labor force: Employment: Agricultural	Civilian labor force: Employment: Nonagricultural	Civilian labor force: Unemployment	Total labor force as percent of noninstitutional population	Unemployment as percent of civilian labor force
	Thousands of persons 16 years of age and over								Percent	
1969: Jan	136,802	81,711	3,477	78,234	75,358	3,165	72,192	2,876	59.7	3.7
Feb	136,940	82,579	3,475	79,104	76,181	3,285	72,896	2,923	60.3	3.7
Mar	137,143	82,770	3,504	79,266	76,520	3,327	73,193	2,746	60.4	3.5
Apr	137,337	83,137	3,516	79,621	77,079	3,607	73,471	2,542	60.5	3.2
May	137,549	83,085	3,522	79,563	77,264	3,894	73,370	2,299	60.4	2.9
June	137,737	85,880	3,524	82,356	78,956	4,367	74,589	3,400	62.4	4.1
July	137,935	86,318	3,521	82,797	79,616	4,155	75,460	3,182	62.6	3.8
Aug	138,127	86,046	3,530	82,516	79,646	3,977	75,669	2,869	62.3	3.5
Sept	138,317	84,527	3,543	80,984	78,026	3,629	74,397	2,958	61.1	3.7
Oct	138,539	85,038	3,528	81,510	78,671	3,561	75,110	2,839	61.4	3.5
Nov	138,732	84,920	3,493	81,427	78,716	3,322	75,395	2,710	61.2	3.3
Dec	138,928	84,856	3,440	81,416	78,788	2,984	75,805	2,628	61.1	3.2
	Seasonally adjusted									
1968: Jan	....	81,344	....	77,881	75,086	3,962	71,124	2,795	....	3.6
Feb	....	82,035	....	78,569	75,640	4,074	71,566	2,929	....	3.7
Mar	....	82,137	....	78,645	75,764	3,978	71,786	2,881	....	3.7
Apr	....	81,933	....	78,427	75,653	3,916	71,737	2,774	....	3.5
May	....	82,278	....	78,742	75,932	3,905	72,027	2,810	....	3.6
June	....	82,486	....	78,919	76,005	3,849	72,156	2,914	....	3.7
July	....	82,504	....	78,917	76,020	3,825	72,195	2,897	....	3.7
Aug	....	82,338	....	78,749	75,973	3,751	72,222	2,776	....	3.5
Sept	....	82,438	....	78,847	76,000	3,651	72,349	2,847	....	3.6
Oct	....	82,403	....	78,800	76,002	3,525	72,477	2,798	....	3.6
Nov	....	82,559	....	79,042	76,388	3,706	72,682	2,654	....	3.4
Dec	....	82,868	....	79,368	76,765	3,842	72,923	2,603	....	3.3
1969: Jan	....	83,351	....	79,874	77,229	3,752	73,477	2,645	....	3.3
Feb	....	83,831	....	80,356	77,729	3,881	73,848	2,627	....	3.3
Mar	....	83,999	....	80,495	77,767	3,732	74,035	2,728	....	3.4
Apr	....	83,966	....	80,450	77,605	3,664	73,941	2,845	....	3.5
May	....	83,593	....	80,071	77,265	3,805	73,460	2,806	....	3.5
June	....	83,957	....	80,433	77,671	3,705	73,966	2,762	....	3.4
July	....	84,277	....	80,756	77,874	3,551	74,323	2,882	....	3.6
Aug	....	84,584	....	81,054	78,187	3,634	74,553	2,867	....	3.5
Sept	....	84,902	....	81,359	78,127	3,458	74,669	3,232	....	4.0
Oct	....	85,014	....	81,486	78,325	3,332	74,993	3,161	....	3.9
Nov	....	84,788	....	81,295	78,497	3,429	75,068	2,798	....	3.4
Dec	....	85,029	....	81,589	78,779	3,505	75,274	2,810	....	3.4

Note.—Labor force data in Tables C–22 through C–25 are based on household interviews and relate to the calendar week including the 12th of the month. For definitions of terms, area samples used, historical comparability of the data comparability with other series, etc., see "Employment and Earnings."

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C-23.—*Civilian employment and unemployment, by sex and age, 1947–69*

[Thousands of persons 16 years of age and over]

Year or month	Employment							Unemployment						
	Total	Males			Females			Total	Males			Females		
		Total	16–19 years	20 years and over	Total	16–19 years	20 years and over		Total	16–19 years	20 years and over	Total	16–19 years	20 years and over
1947	57,039	40,994	2,218	38,776	16,045	1,691	14,354	2,311	1,692	270	1,422	619	144	475
1948	58,344	41,726	2,345	39,382	16,618	1,683	14,937	2,276	1,559	255	1,305	717	152	564
1949	57,649	40,926	2,124	38,803	16,723	1,588	15,137	3,637	2,572	352	2,219	1,065	223	841
1950	58,920	41,580	2,186	39,394	17,340	1,517	15,824	3,288	2,239	318	1,922	1,049	195	854
1951	59,962	41,780	2,156	39,626	18,182	1,611	16,570	2,055	1,221	191	1,029	834	145	689
1952	60,254	41,684	2,106	39,578	18,570	1,612	16,958	1,883	1,185	205	980	698	140	559
1953	61,181	42,431	2,135	40,296	18,750	1,584	17,164	1,834	1,202	184	1,019	632	123	510
1954	60,110	41,620	1,985	39,634	18,490	1,490	17,000	3,532	2,344	310	2,035	1,188	191	997
1955	62,171	42,621	2,095	40,526	19,550	1,548	18,002	2,852	1,854	274	1,580	998	176	823
1956	63,802	43,380	2,164	41,216	20,422	1,654	18,767	2,750	1,711	269	1,442	1,039	209	832
1957	64,071	43,357	2,117	41,239	20,714	1,663	19,052	2,859	1,841	299	1,541	1,018	197	821
1958	63,036	42,423	2,012	40,411	20,613	1,570	19,043	4,602	3,098	416	2,681	1,504	262	1,242
1959	64,630	43,466	2,198	41,267	21,164	1,640	19,524	3,740	2,420	398	2,022	1,320	256	1,063
1960	65,778	43,904	2,360	41,543	21,874	1,769	20,105	3,852	2,486	425	2,060	1,366	286	1,080
1961	65,746	43,656	2,314	41,342	22,090	1,793	20,296	4,714	2,997	479	2,518	1,717	349	1,368
1962	66,702	44,177	2,362	41,815	22,525	1,833	20,693	3,911	2,423	407	2,016	1,488	313	1,175
1963	67,762	44,657	2,406	42,251	23,105	1,849	21,257	4,070	2,472	500	1,971	1,598	383	1,216
1964	69,305	45,474	2,587	42,886	23,831	1,929	21,903	3,786	2,205	487	1,718	1,581	386	1,195
1965	71,088	46,340	2,918	43,422	24,748	2,118	22,630	3,366	1,914	479	1,435	1,452	395	1,056
1966	72,895	46,919	3,252	43,667	25,976	2,469	23,507	2,875	1,551	432	1,119	1,324	404	919
1967	74,372	47,479	3,186	44,293	26,893	2,496	24,397	2,975	1,508	448	1,060	1,468	390	1,078
1968	75,920	48,114	3,254	44,859	27,807	2,525	25,281	2,817	1,419	427	993	1,397	412	985
1969	77,902	48,818	3,430	45,388	29,084	2,687	26,397	2,831	1,403	441	963	1,428	412	1,015
	Seasonally adjusted													
1968: Jan	75,086	47,752	3,064	44,688	27,334	2,558	24,776	2,795	1,456	417	1,039	1,339	320	1,019
Feb	75,640	47,986	3,216	44,770	27,654	2,615	25,039	2,929	1,491	438	1,053	1,438	412	1,026
Mar	75,764	48,034	3,257	44,777	27,730	2,603	25,127	2,881	1,459	441	1,018	1,422	437	985
Apr	75,653	48,058	3,278	44,780	27,595	2,567	25,028	2,774	1,385	406	979	1,389	421	968
May	75,932	48,073	3,286	44,787	27,859	2,578	25,281	2,810	1,382	399	983	1,428	450	978
June	76,005	48,102	3,241	44,861	27,903	2,592	25,311	2,914	1,498	456	1,042	1,416	442	974
July	76,020	48,162	3,249	44,913	27,858	2,517	25,341	2,897	1,434	431	1,003	1,463	450	1,013
Aug	75,973	48,203	3,282	44,921	27,770	2,530	25,240	2,776	1,388	403	985	1,388	412	976
Sept	76,000	48,120	3,262	44,858	27,880	2,505	25,375	2,847	1,406	401	1,005	1,441	422	1,019
Oct	76,002	48,030	3,257	44,773	27,972	2,477	25,495	2,798	1,441	432	1,009	1,357	372	985
Nov	76,388	48,235	3,295	44,940	28,153	2,451	25,702	2,654	1,351	420	931	1,303	375	928
Dec	76,765	48,579	3,325	45,254	28,186	2,384	25,802	2,603	1,276	437	839	1,327	392	935
1969: Jan	77,229	48,686	3,455	45,231	28,543	2,544	25,999	2,645	1,361	461	900	1,284	333	951
Feb	77,729	48,875	3,453	45,422	28,854	2,590	26,264	2,627	1,283	425	858	1,344	378	966
Mar	77,767	48,919	3,497	45,422	28,848	2,620	26,228	2,728	1,330	455	875	1,398	437	961
Apr	77,605	48,766	3,481	45,285	28,839	2,670	26,169	2,845	1,356	446	910	1,489	453	1,036
May	77,265	48,609	3,382	45,227	28,656	2,610	26,046	2,806	1,360	416	944	1,446	443	1,003
June	77,671	48,653	3,393	45,260	29,018	2,767	26,251	2,762	1,341	395	946	1,421	410	1,011
July	77,874	48,638	3,345	45,293	29,236	2,731	26,505	2,882	1,485	456	1,029	1,397	391	1,006
Aug	77,187	48,864	3,313	45,551	29,323	2,701	26,622	2,867	1,370	414	956	1,497	442	1,055
Sept	78,127	48,939	3,497	45,442	29,188	2,669	26,519	3,232	1,608	482	1,126	1,624	457	1,167
Oct	78,325	48,825	3,401	45,424	29,500	2,789	26,711	3,161	1,601	473	1,128	1,560	454	1,106
Nov	78,497	49,036	3,549	45,487	29,475	2,780	26,695	2,798	1,461	459	1,002	1,337	372	965
Dec	78,779	49,111	3,502	45,609	29,670	2,738	26,932	2,810	1,448	437	1,011	1,362	402	960

Note.—See Note, Table C–22.

Source: Department of Labor, Bureau of Labor Statistics.

Table C–24.—*Selected unemployment rates, 1948–69*

[Percent]

Year or month	All workers	By sex and age: Both sexes, 16–19 years	Men, 20 years and over	Women, 20 years and over	By color: White	Negro and other races	By selected groups: Experienced wage and salary workers	Married men [1]	Full-time workers [2]	Blue-collar workers [3]	Labor force time lost [4]
1948	3.8	9.2	3.2	3.6	3.5	5.9	3.7	....	....	4.2	....
1949	5.9	13.4	5.4	5.3	5.6	8.9	6.2	3.5	5.4	8.0	....
1950	5.3	12.2	4.7	5.1	4.9	9.0	5.6	4.6	5.0	7.2	....
1951	3.3	8.2	2.5	4.0	3.1	5.3	3.2	1.5	2.6	3.9	....
1952	3.0	8.5	2.4	3.2	2.8	5.4	2.9	1.4	2.5	3.6	....
1953	2.9	7.6	2.5	2.9	2.7	4.5	2.6	1.7	....	3.4	....
1954	5.5	12.6	4.9	5.5	5.0	9.9	6.2	4.0	5.2	7.2	....
1955	4.4	11.0	3.8	4.4	3.9	8.7	4.8	2.6	3.8	5.8	....
1956	4.1	11.1	3.4	4.2	3.6	8.3	4.4	2.3	3.7	5.1	5.1
1957	4.3	11.6	3.6	4.1	3.8	7.9	4.6	2.8	4.0	6.2	5.3
1958	6.8	15.9	6.2	6.1	6.1	12.6	7.2	5.1	7.2	10.2	8.1
1959	5.5	14.6	4.7	5.2	4.8	10.7	5.7	3.6	....	7.6	6.6
1960	5.5	14.7	4.7	5.1	4.9	10.2	5.7	3.7	....	7.8	6.7
1961	6.7	16.8	5.7	6.3	6.0	12.4	6.8	4.6	6.7	9.2	8.0
1962	5.5	14.7	4.6	5.4	4.9	10.9	5.6	3.6	....	7.4	6.7
1963	5.7	17.2	4.5	5.4	5.0	10.8	5.5	3.4	5.4	7.3	6.4
1964	5.2	16.2	3.9	5.2	4.6	9.6	5.0	2.8	4.8	6.3	5.8
1965	4.5	14.8	3.2	4.5	4.1	8.1	4.3	2.4	4.2	5.3	5.0
1966	3.8	12.8	2.5	3.8	3.4	7.3	3.5	1.9	3.4	4.2	4.2
1967	3.8	12.8	2.3	4.2	3.4	7.4	3.6	1.8	3.5	4.4	4.2
1968	3.6	12.7	2.2	3.8	3.2	6.7	3.4	1.6	3.1	4.1	4.0
1969	3.5	12.2	2.1	3.7	3.1	6.4	3.3	1.5	3.1	3.9	3.9
	Seasonally adjusted										
1968: Jan	3.6	11.6	2.3	4.0	3.2	6.6	3.4	1.7	3.3	4.3	4.1
Feb	3.7	12.7	2.3	3.9	3.3	7.1	3.5	1.7	3.3	4.4	4.2
Mar	3.7	13.0	2.2	3.8	3.2	6.9	3.4	1.7	3.2	4.4	4.0
Apr	3.5	12.4	2.1	3.7	3.1	6.8	3.3	1.6	3.1	4.0	3.8
May	3.6	12.6	2.1	3.7	3.2	6.5	3.2	1.6	3.1	3.8	3.7
June	3.7	13.3	2.3	3.7	3.3	7.1	3.5	1.7	3.2	4.1	4.1
July	3.7	13.3	2.2	3.8	3.3	6.8	3.5	1.6	3.3	4.3	4.2
Aug	3.5	12.3	2.1	3.7	3.2	6.4	3.3	1.6	3.1	4.2	4.0
Sept	3.6	12.5	2.2	3.9	3.2	6.6	3.4	1.6	3.0	4.1	4.0
Oct	3.6	12.3	2.2	3.7	3.1	7.3	3.3	1.6	3.0	4.0	3.9
Nov	3.4	12.2	2.0	3.5	3.0	6.5	3.2	1.6	3.0	3.9	3.8
Dec	3.3	12.7	1.8	3.5	3.0	6.0	3.1	1.4	2.7	3.6	3.6
1969: Jan	3.3	11.7	2.0	3.5	3.0	6.0	3.1	1.4	2.9	3.8	3.6
Feb	3.3	11.7	1.9	3.5	2.9	5.7	3.0	1.4	2.8	3.6	3.6
Mar	3.4	12.7	1.9	3.5	3.1	6.0	3.1	1.4	2.9	3.7	3.7
Apr	3.5	12.8	2.0	3.8	3.1	6.9	3.2	1.5	3.2	4.1	3.7
May	3.5	12.5	2.0	3.7	3.1	6.5	3.1	1.5	3.1	3.8	3.5
June	3.4	11.6	2.0	3.7	3.0	7.0	3.2	1.5	3.1	3.7	3.9
July	3.6	12.2	2.2	3.7	3.2	6.4	3.5	1.6	3.1	3.8	4.1
Aug	3.5	12.5	2.1	3.8	3.2	6.5	3.5	1.5	3.1	3.8	4.1
Sept	4.0	13.2	2.4	4.2	3.6	6.8	3.8	1.7	3.4	4.4	4.4
Oct	3.9	13.0	2.4	4.0	3.5	6.9	3.6	1.7	3.2	4.3	4.4
Nov	3.4	11.6	2.2	3.5	3.1	6.2	3.3	1.5	3.0	4.2	4.0
Dec	3.4	11.9	2.2	3.4	3.2	5.5	3.3	1.6	3.1	4.3	3.8

[1] Married men living with their wives. Data for 1949 and 1951–54 are for April; 1950, for March.
[2] Data for 1949–61 are for May.
[3] Includes craftsmen, operatives, and nonfarm laborers. Data for 1948–57 are based on data for January, April, July, and October.
[4] Man-hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force man-hours.

Note.—See Note, Table C–22.

Source: Department of Labor, Bureau of Labor Statistics.

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TABLE C-25.—*Unemployment by duration, 1947–69*

Year or month	Total unemployment	Duration of unemployment: Less than 5 weeks	5–14 weeks	15–26 weeks	27 weeks and over
	Thousands of persons 16 years of age and over				
1947	2,311	1,210	704	234	164
1948	2,276	1,300	669	193	111
1949	3,637	1,756	1,194	427	256
1950	3,288	1,450	1,055	425	357
1951	2,055	1,177	574	166	137
1952	1,883	1,135	516	148	84
1953	1,834	1,142	482	132	78
1954	3,532	1,605	1,116	495	317
1955	2,852	1,335	815	367	336
1956	2,750	1,412	805	301	232
1957	2,859	1,408	891	321	239
1958	4,602	1,753	1,396	785	667
1959	3,740	1,585	1,114	469	571
1960	3,852	1,719	1,176	502	454
1961	4,714	1,806	1,376	728	804
1962	3,911	1,659	1,134	534	585
1963	4,070	1,751	1,231	535	553
1964	3,786	1,697	1,117	490	482
1965	3,366	1,628	983	404	351
1966	2,875	1,535	804	295	241
1967	2,975	1,635	893	271	177
1968	2,817	1,594	810	256	156
1969	2,831	1,629	829	242	133
	Seasonally adjusted [1]				
1968: Jan	2,795	1,380	855	290	181
Feb	2,929	1,707	808	285	168
Mar	2,881	1,703	768	272	177
Apr	2,774	1,542	829	244	158
May	2,810	1,681	711	278	140
June	2,914	1,701	830	260	163
July	2,897	1,657	844	295	175
Aug	2,776	1,629	765	238	162
Sept	2,847	1,631	811	235	138
Oct	2,798	1,542	892	253	128
Nov	2,654	1,576	785	221	127
Dec	2,603	1,363	825	177	145
1969: Jan	2,645	1,476	741	193	123
Feb	2,627	1,436	829	237	109
Mar	2,728	1,646	757	237	118
Apr	2,845	1,724	737	254	139
May	2,806	1,777	629	278	131
June	2,762	1,591	813	258	125
July	2,882	1,677	830	244	175
Aug	2,867	1,636	861	244	138
Sept	3,232	1,818	1,000	233	156
Oct	3,161	1,857	948	240	130
Nov	2,798	1,564	910	244	140
Dec	2,810	1,436	910	262	120

[1] Because of independent seasonal adjustment of the various series, detail will not necessarily add to totals.

Note.—See Note, Table C–22.

Source: Department of Labor, Bureau of Labor Statistics.

Table C-26.—*Unemployment insurance programs, selected data, 1940–69*

Year or month	All programs: Covered employment [1]	All programs: Insured unemployment (weekly average) [2 3]	All programs: Total benefits paid (millions of dollars) [2 4]	State programs: Insured unemployment [3]	State programs: Initial claims	State programs: Exhaustions [5]	Insured unemployment as percent of covered employment: Unadjusted	Insured unemployment as percent of covered employment: Seasonally adjusted	Benefits paid: Total (millions of dollars) [4]	Benefits paid: Average weekly check (dollars) [6]
	Thousands			Weekly average, thousands			Percent			
1940	24,291	1,331	534.7	1,282	214	50	5.6	....	518.7	10.56
1941	28,136	842	358.8	814	164	30	3.0	....	344.3	11.06
1942	30,819	661	350.4	649	122	21	2.2	....	344.1	12.66
1943	32,419	149	80.5	147	36	4	.5	....	79.6	13.84
1944	31,714	111	67.2	105	29	2	.4	....	62.4	15.90
1945	30,087	720	574.9	589	116	5	2.1	....	445.9	18.77
1946	31,856	2,804	2,878.5	1,295	189	38	4.3	....	1,094.9	18.50
1947	33,876	1,793	1,785.5	997	187	24	3.1	....	775.1	17.83
1948	34,646	1,446	1,328.7	980	200	20	3.0	....	789.9	19.03
1949	33,098	2,474	2,269.8	1,973	340	37	6.2	....	1,736.0	20.48
1950	34,308	1,605	1,467.6	1,513	236	36	4.6	....	1,373.1	20.76
1951	36,334	1,000	862.9	969	208	16	2.8	....	840.4	21.09
1952	37,006	1,069	1,043.5	1,044	215	18	2.9	....	998.2	22.79
1953	38,072	1,067	1,050.6	990	218	15	2.8	....	962.2	23.58
1954	36,622	2,051	2,291.8	1,870	304	34	5.2	....	2,026.9	24.93
1955	40,018	1,399	1,560.2	1,265	226	25	3.5	....	1,350.3	25.04
1956	42,751	1,323	1,540.6	1,215	227	20	3.2	....	1,380.7	27.02
1957	43,436	1,571	1,913.0	1,446	270	23	3.6	....	1,733.9	28.17
1958	44,411	3,269	4,290.6	2,526	369	50	6.4	....	3,512.7	30.58
1959	45,728	2,099	2,854.3	1,684	277	33	4.4	....	2,279.0	30.41
1960	46,334	2,071	3,022.8	1,908	331	31	4.8	....	2,726.7	32.87
1961	46,266	2,994	4,358.1	2,290	350	46	5.6	....	3,422.7	33.80
1962	47,776	1,946	3,145.1	1,783	302	32	4.4	....	2,675.4	34.56
1963	48,434	[7] 1,973	3,025.9	[7] 1,806	[7] 297	30	4.3	....	2,774.7	35.27
1964	49,637	1,753	2,749.2	1,605	268	26	3.8	....	2,522.1	35.92
1965	51,580	1,450	2,360.4	1,328	232	21	3.0	....	2,166.0	37.19
1966	54,739	1,129	1,890.9	1,061	203	15	2.3	....	1,771.3	39.75
1967	56,342	1,270	2,220.0	1,205	226	17	2.5	....	2,101.0	41.25
1968	p57,969	1,187	2,191.3	1,111	201	16	2.2	....	2,031.9	43.43
1969 p	....	1,175	2,265.0	1,098	197	15	2.2	....	2,099.5	46.10
1968: Jan	55,747	1,719	264.8	1,624	316	18	3.3	2.3	248.5	42.60
Feb	55,956	1,653	259.4	1,556	227	18	3.2	2.3	243.7	43.58
Mar	56,419	1,480	247.5	1,390	183	19	2.8	2.3	231.1	43.64
Apr	57,157	1,216	207.2	1,142	183	20	2.3	2.2	195.1	43.12
May	57,676	1,026	170.2	964	156	18	2.0	2.2	159.1	42.42
June	58,771	944	139.3	883	157	17	1.8	2.2	129.1	42.26
July	p58,833	1,058	156.9	991	240	15	2.0	2.2	145.6	42.39
Aug	p59,179	1,024	162.8	955	174	15	1.9	2.2	150.0	43.73
Sept	p59,036	868	133.4	802	141	13	1.6	2.2	121.8	43.78
Oct	p58,738	862	138.7	794	154	14	1.6	2.1	126.0	44.37
Nov	p58,865	985	134.8	913	189	13	1.8	2.1	122.5	44.72
Dec	[8] 59,249	1,253	185.4	1,172	261	14	2.3	2.1	170.3	45.34
1969: Jan	....	1,585	264.6	1,491	275	16	3.0	2.1	246.1	46.16
Feb	....	1,551	250.8	1,459	219	17	2.9	2.1	234.2	46.80
Mar	....	1,385	242.6	1,300	173	17	2.6	2.1	226.5	46.70
Apr	....	1,163	214.9	1,090	167	19	2.2	2.0	200.1	46.03
May	....	970	164.9	906	144	17	1.8	2.0	153.0	45.14
June	....	912	145.7	852	162	17	1.7	2.1	135.0	44.88
July	....	1,089	171.8	1,021	246	15	2.0	2.2	159.2	45.30
Aug	....	1,016	169.7	948	172	14	1.8	2.2	156.7	46.16
Sept	....	903	148.3	840	146	13	1.6	2.2	136.2	45.70
Oct	....	930	153.8	864	167	13	1.6	2.2	140.9	46.17
Nov p	....	1,106	147.7	1,030	213	12	2.0	2.3	134.7	46.91
Dec p	....	1,449	208.5	1,378	289	13	2.7	2.3	194.8	47.25

[1] Includes persons under the State, UCFE (Federal employee, effective January 1955), and RRB (Railroad Retirement Board) programs. Beginning October 1958, also includes the UCX program (unemployment compensation for ex-servicemen).
[2] Includes State, UCFE, RR, UCX, UCV (unemployment compensation for veterans, October 1952–January 1960), and SRA (Servicemen's Readjustment Act, September 1944–September 1951) programs. Also includes Federal and State programs for temporary extension of benefits from June 1958 through June 1962, expiration date of program.
[3] Covered workers who have completed at least 1 week of unemployment.
[4] Includes benefits paid under extended duration provisions of State laws, beginning June 1958. Annual data are net amounts and monthly data are gross amounts.
[5] Individuals receiving final payments in benefit year.
[6] For total unemployment only.
[7] Programs include Puerto Rican sugarcane workers for initial claims and insured unemployment beginning July 1963.
[8] Preliminary; December 1968 is latest month for which data are available for all programs combined. Workers covered by State programs account for about 88 percent of the total.

Source: Department of Labor, Manpower Administration.

TABLE C-27.—*Wage and salary workers in nonagricultural establishments, 1929–69*

[All employees; thousands of persons]

Year or month	Total wage and salary workers	Manufacturing: Total	Manufacturing: Durable goods	Manufacturing: Nondurable goods	Mining	Contract construction	Transportation and public utilities	Wholesale and retail trade	Finance, insurance, and real estate	Services	Government: Federal	Government: State and local
1929	31,339	10,702	-------	-------	1,087	1,497	3,916	6,123	1,509	3,440	533	2,532
1930	29,424	9,562	-------	-------	1,009	1,372	3,685	5,797	1,475	3,376	526	2,622
1931	26,649	8,170	-------	-------	873	1,214	3,254	5,284	1,407	3,183	560	2,704
1932	23,628	6,931	-------	-------	731	970	2,816	4,683	1,341	2,931	559	2,666
1933	23,711	7,397	-------	-------	744	809	2,672	4,755	1,295	2,873	565	2,601
1934	25,953	8,501	-------	-------	883	862	2,750	5,281	1,319	3,058	652	2,647
1935	27,053	9,069	-------	-------	897	912	2,786	5,431	1,335	3,142	753	2,728
1936	29,082	9,827	-------	-------	946	1,145	2,973	5,809	1,388	3,326	826	2,842
1937	31,026	10,794	-------	-------	1,015	1,112	3,134	6,265	1,432	3,518	833	2,923
1938	29,209	9,440	-------	-------	891	1,055	2,863	6,179	1,425	3,473	829	3,054
1939	30,618	10,278	4,715	5,564	854	1,150	2,936	6,426	1,462	3,517	905	3,090
1940	32,376	10,985	5,363	5,622	925	1,294	3,038	6,750	1,502	3,681	996	3,206
1941	36,554	13,192	6,968	6,225	957	1,790	3,274	7,210	1,549	3,921	1,340	3,320
1942	40,125	15,280	8,823	6,458	992	2,170	3,460	7,118	1,538	4,084	2,213	3,270
1943	42,452	17,602	11,084	6,518	925	1,567	3,647	6,982	1,502	4,148	2,905	3,174
1944	41,883	17,328	10,856	6,472	892	1,094	3,829	7,058	1,476	4,163	2,928	3,116
1945	40,394	15,524	9,074	6,450	836	1,132	3,906	7,314	1,497	4,241	2,808	3,137
1946	41,674	14,703	7,742	6,962	862	1,661	4,061	8,376	1,697	4,719	2,254	3,341
1947	43,881	15,545	8,385	7,159	955	1,982	4,166	8,955	1,754	5,050	1,892	3,582
1948	44,891	15,582	8,326	7,256	994	2,169	4,189	9,272	1,829	5,206	1,863	3,787
1949	43,778	14,441	7,489	6,953	930	2,165	4,001	9,264	1,857	5,264	1,908	3,948
1950	45,222	15,241	8,094	7,147	901	2,333	4,034	9,386	1,919	5,382	1,928	4,098
1951	47,849	16,393	9,089	7,304	929	2,603	4,226	9,742	1,991	5,576	2,302	4,087
1952	48,825	16,632	9,349	7,284	898	2,634	4,248	10,004	2,069	5,730	2,420	4,188
1953	50,232	17,549	10,110	7,438	866	2,623	4,290	10,247	2,146	5,867	2,305	4,340
1954	49,022	16,314	9,129	7,185	791	2,612	4,084	10,235	2,234	6,002	2,188	4,563
1955	50,675	16,882	9,541	7,340	792	2,802	4,141	10,535	2,335	6,274	2,187	4,727
1956	52,408	17,243	9,834	7,409	822	2,999	4,244	10,858	2,429	6,536	2,209	5,069
1957	52,894	17,174	9,856	7,319	828	2,923	4,241	10,886	2,477	6,749	2,217	5,399
1958	51,363	15,945	8,830	7,116	751	2,778	3,976	10,750	2,519	6,806	2,191	5,648
1959	53,313	16,675	9,373	7,303	732	2,960	4,011	11,127	2,594	7,130	2,233	5,850
1960	54,234	16,796	9,459	7,336	712	2,885	4,004	11,391	2,669	7,423	2,270	6,083
1961	54,042	16,326	9,070	7,256	672	2,816	3,903	11,337	2,731	7,664	2,279	6,315
1962	55,596	16,853	9,480	7,373	650	2,902	3,906	11,566	2,800	8,028	2,340	6,550
1963	56,702	16,995	9,616	7,380	635	2,963	3,903	11,778	2,877	8,325	2,358	6,868
1964	58,331	17,274	9,816	7,458	634	3,050	3,951	12,160	2,957	8,709	2,348	7,248
1965	60,815	18,062	10,406	7,656	632	3,186	4,036	12,716	3,023	9,087	2,378	7,696
1966	63,955	19,214	11,284	7,930	627	3,275	4,151	13,245	3,100	9,551	2,564	8,227
1967	65,857	19,447	11,439	8,008	613	3,208	4,261	13,606	3,225	10,099	2,719	8,679
1968	67,860	19,768	11,624	8,144	610	3,267	4,313	14,081	3,383	10,592	2,737	9,109
1969 p	70,139	20,121	11,881	8,240	628	3,410	4,449	14,644	3,558	11,102	2,756	9,471

See footnotes at end of table.

Table C-27.—*Wage and salary workers in nonagricultural establishments, 1929–69*—Continued

[All employees; thousands of persons]

Year or month	Total wage and salary workers	Manufacturing: Total	Manufacturing: Durable goods	Manufacturing: Nondurable goods	Mining	Contract construction	Transportation and public utilities	Wholesale and retail trade	Finance, insurance, and real estate	Services	Government: Federal	Government: State and local
	Seasonally adjusted											
1967: Jan	65,342	19,616	11,560	8,056	628	3,237	4,247	13,457	3,146	9,839	2,667	8,505
Feb	65,379	19,562	11,541	8,021	626	3,213	4,245	13,461	3,159	9,888	2,679	8,546
Mar	65,459	19,504	11,500	8,004	626	3,205	4,255	13,484	3,172	9,946	2,691	8,576
Apr	65,469	19,431	11,427	8,004	622	3,192	4,220	13,524	3,187	9,987	2,694	8,612
May	65,563	19,362	11,407	7,955	619	3,175	4,272	13,557	3,202	10,026	2,704	8,646
June	65,747	19,364	11,391	7,973	618	3,192	4,274	13,584	3,225	10,067	2,728	8,695
July	65,799	19,307	11,356	7,951	621	3,203	4,286	13,615	3,231	10,116	2,735	8,685
Aug	66,016	19,437	11,471	7,966	606	3,200	4,268	13,642	3,252	10,161	2,735	8,715
Sept	66,003	19,335	11,321	8,014	601	3,199	4,264	13,687	3,264	10,207	2,721	8,725
Oct	66,083	19,329	11,297	8,032	598	3,208	4,251	13,695	3,271	10,250	2,718	8,763
Nov	66,600	19,546	11,497	8,049	597	3,242	4,277	13,777	3,288	10,330	2,719	8,824
Dec	66,734	19,582	11,513	8,069	598	3,243	4,275	13,781	3,304	10,370	2,719	8,862
1968: Jan	66,720	19,617	11,557	8,060	596	3,075	4,280	13,786	3,314	10,398	2,721	8,933
Feb	67,165	19,627	11,538	8,089	599	3,265	4,297	13,890	3,327	10,465	2,724	8,971
Mar	67,286	19,631	11,536	8,095	600	3,269	4,299	13,938	3,336	10,490	2,721	9,002
Apr	67,466	19,702	11,590	8,112	617	3,272	4,298	13,984	3,348	10,488	2,723	9,034
May	67,550	19,737	11,606	8,131	614	3,266	4,250	14,017	3,359	10,510	2,724	9,073
June	67,816	19,790	11,620	8,170	615	3,267	4,300	14,057	3,363	10,554	2,774	9,096
July	67,945	19,804	11,666	8,138	619	3,268	4,315	14,093	3,376	10,582	2,779	9,109
Aug	68,088	19,800	11,634	8,166	620	3,272	4,327	14,154	3,399	10,625	2,743	9,148
Sept	68,195	19,820	11,646	8,174	622	3,286	4,333	14,198	3,414	10,635	2,721	9,166
Oct	68,427	19,840	11,649	8,191	573	3,305	4,341	14,265	3,433	10,721	2,708	9,241
Nov	68,664	19,897	11,700	8,197	622	3,313	4,352	14,291	3,453	10,787	2,709	9,240
Dec	68,875	19,958	11,744	8,214	623	3,330	4,360	14,271	3,463	10,838	2,724	9,308
1969: Jan	69,199	19,999	11,819	8,180	626	3,338	4,353	14,412	3,490	10,900	2,760	9,321
Feb	69,487	20,061	11,839	8,222	628	3,366	4,373	14,468	3,502	10,967	2,767	9,355
Mar	69,710	20,122	11,881	8,241	626	3,374	4,399	14,508	3,515	11,034	2,759	9,373
Apr	69,789	20,111	11,868	8,243	624	3,363	4,439	14,533	3,531	11,044	2,758	9,386
May	70,013	20,118	11,874	8,244	622	3,407	4,444	14,609	3,541	11,065	2,754	9,453
June	70,300	20,198	11,931	8,267	622	3,466	4,467	14,665	3,557	11,066	2,790	9,469
July	70,247	20,164	11,912	8,252	629	3,434	4,483	14,671	3,568	11,067	2,777	9,454
Aug	70,500	20,334	12,081	8,253	631	3,410	4,484	14,702	3,581	11,120	2,752	9,486
Sept	70,390	20,197	11,965	8,232	631	3,420	4,480	14,716	3,586	11,150	2,749	9,461
Oct	70,651	20,156	11,932	8,224	631	3,418	4,480	14,809	3,595	11,244	2,729	9,589
Nov p	70,653	20,018	11,758	8,260	632	3,460	4,488	14,823	3,610	11,265	2,721	9,636
Dec p	70,639	19,988	11,732	8,256	636	3,446	4,493	14,785	3,615	11,288	2,713	9,675

Note.—Data in Tables C–27 through C–33 are based on reports from employing establishments and relate to full- and part-time wage and salary workers in nonagricultural establishments who worked during, or received pay for, any part of the pay period which includes the 12th of the month.

Not comparable with labor force data (Tables C–22 through C–25), which include proprietors, self-employed persons, domestic servants, and unpaid family workers, and which count persons as employed when they are not at work because of industrial disputes, bad weather, etc.

For description and details of the various establishment data, see "Employment and Earnings."

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C–28.—*Average weekly hours of work in selected nonagricultural industries, 1929–69*

Year or month	Total nonagricultural private [1]	Manufacturing: Total	Manufacturing: Durable goods	Manufacturing: Nondurable goods	Contract construction	Retail trade	Wholesale trade	Bituminous coal and lignite mining	Class I railroads	Telephone communication
1929		44.2						38.1		
1930		42.1						33.3		
1931		40.5						28.1		
1932		38.3	32.5	41.9				27.0		
1933		38.1	34.7	40.0				29.3		
1934		34.6	33.8	35.1				26.8		
1935		36.6	37.2	36.1			41.6	26.2		
1936		39.2	40.9	37.7			42.9	28.5		
1937		38.6	39.9	37.4			43.1	27.7		38.8
1938		35.6	34.9	36.1			42.3	23.3		38.9
1939		37.7	37.9	37.4		43.4	41.8	26.8	43.7	39.1
1940		38.1	39.2	37.0		43.2	41.3	27.8	44.3	39.5
1941		40.6	42.0	38.9		42.8	41.1	30.7	45.8	40.1
1942		43.1	45.0	40.3		41.8	41.4	32.4	47.0	40.5
1943		45.0	46.5	42.5		40.9	42.3	36.3	48.7	41.9
1944		45.2	46.5	43.1		41.0	43.0	43.0	48.9	42.3
1945		43.5	44.0	42.3		40.9	42.8	42.0	48.5	[2] 41.7
1946		40.3	40.4	40.5		41.3	41.6	41.3	46.0	39.4
1947	40.3	40.4	40.5	40.2	38.2	[3] 40.3	41.1	40.3	46.4	37.4
1948	40.0	40.0	40.4	39.6	38.1	40.2	41.0	37.7	46.2	39.2
1949	39.4	39.1	39.4	38.9	37.7	40.4	40.8	32.3	43.7	38.5
1950	39.8	40.5	41.1	39.7	37.4	40.4	40.7	34.7	40.8	38.9
1951	39.9	40.6	41.5	39.5	38.1	40.4	40.8	34.9	41.0	39.1
1952	39.9	40.7	41.5	39.7	38.9	39.8	40.7	33.8	40.6	38.5
1953	39.6	40.5	41.2	39.6	37.9	39.1	40.6	34.1	40.6	38.7
1954	39.1	39.6	40.1	39.0	37.2	39.2	40.5	32.3	40.8	38.9
1955	39.6	40.7	41.3	39.9	37.1	39.0	40.7	37.3	41.9	39.6
1956	39.3	40.4	41.0	39.6	37.5	38.6	40.5	37.5	41.7	39.5
1957	38.8	39.8	40.3	39.2	37.0	38.1	40.3	36.3	41.7	39.0
1958	38.5	39.2	39.5	38.8	36.8	38.1	40.2	33.3	41.6	38.4
1959	39.0	40.3	40.7	39.7	37.0	38.2	40.6	35.8	41.9	39.2
1960	38.6	39.7	40.1	39.2	36.7	38.0	40.5	35.8	41.7	39.6
1961	38.6	39.8	40.3	39.3	36.9	37.6	40.5	35.9	42.3	39.4
1962	38.7	40.4	40.9	39.6	37.0	37.4	40.6	[4] 37.0	42.6	39.9
1963	38.8	40.5	41.1	39.6	37.3	37.3	40.6	[4] 38.9	42.9	40.0
1964	38.7	40.7	41.4	39.7	37.2	37.0	40.6	[4] 39.2	43.5	40.2
1965	38.8	41.2	42.0	40.1	37.4	36.6	40.8	[4] 40.2	43.6	40.4
1966	38.6	41.3	42.1	40.2	37.6	35.9	40.7	[4] 40.8	43.9	40.6
1967	38.0	40.6	41.2	39.7	37.7	35.3	40.3	[4] 40.7	43.2	39.3
1968	37.8	40.7	41.4	39.8	37.4	34.7	40.1	[4] 39.7	43.9	39.7
1969 p	37.7	40.6	41.3	39.7	38.0	34.2	40.2	40.0		40.4
	Seasonally adjusted							Unadjusted		
1968: Jan	37.7	40.2	41.0	39.3	36.5	34.9	40.0	40.7	44.3	39.2
Feb	37.9	40.7	41.3	39.9	37.6	34.9	40.0	40.6	44.0	39.1
Mar	37.8	40.8	41.4	39.9	36.9	34.8	40.0	41.1	42.7	39.1
Apr	37.7	40.1	40.6	39.2	37.7	34.8	40.0	40.5	44.3	38.6
May	37.8	40.9	41.6	39.9	37.5	34.7	40.0	40.5	45.0	38.1
June	37.9	40.9	41.6	40.0	37.5	34.8	40.2	41.5	43.0	39.9
July	37.9	40.9	41.5	39.9	37.3	34.8	40.1		44.7	40.2
Aug	37.9	40.7	41.3	39.9	37.5	34.8	40.2	40.9	43.7	39.9
Sept	37.9	41.0	41.6	40.0	37.5	34.7	40.2	40.6	42.9	40.6
Oct	37.8	40.9	41.6	39.9	37.5	34.5	40.1	29.0	44.5	40.6
Nov	37.6	40.8	41.6	39.7	36.2	34.5	40.0	40.6	43.9	41.5
Dec	37.6	40.8	41.3	39.9	37.6	34.3	40.0	41.1	43.8	39.9
1969: Jan	37.8	40.6	41.3	39.8	38.2	34.4	40.1	41.6	44.7	40.0
Feb	37.5	40.1	40.9	39.1	38.0	34.2	40.1	40.7	45.3	40.6
Mar	37.8	40.9	41.5	39.9	37.9	34.3	40.1	38.8	43.0	39.9
Apr	37.8	40.8	41.4	39.8	38.0	34.1	40.2	41.5	44.3	39.5
May	37.8	40.7	41.4	39.8	38.1	34.3	40.1	40.5	44.5	39.8
June	37.8	40.7	41.3	39.8	37.6	34.2	40.0	35.7	43.5	40.4
July	37.8	40.7	41.2	39.7	37.5	34.2	40.0			40.8
Aug	37.8	40.6	41.3	39.6	37.9	34.3	40.3	40.8		40.3
Sept	37.8	40.8	41.5	39.7	38.1	34.2	40.3	40.5		40.8
Oct	37.6	40.5	41.2	39.5	37.5	33.9	40.3	40.6		40.4
Nov p	37.6	40.5	41.1	39.5	38.2	34.0	40.2	39.5		40.8
Dec p	37.5	40.6	41.2	39.8	38.2	33.9	40.3			

[1] In addition to industries shown separately, total includes other mining; other transportation and public utilities; finance, insurance, and real estate; and services.
[2] Nine-month average, April through December, because of new series started in April 1945.
[3] Beginning 1947, data include eating and drinking places.
[4] Eleven-month average; excludes data for July.

Note.—Hours and earnings data in Tables C–28 through C–33 relate to production workers in manufacturing and mining, to construction workers in contract construction, and generally, to nonsupervisory employees in other industries. See Table C–31 for unadjusted weekly hours in manufacturing. See also Note, Table C–27.

Source: Department of Labor, Bureau of Labor Statistics.

Table C–29.—*Average gross hourly earnings in selected industries, 1929–69*

Year or month	Total nonagricultural private [1]	Manufacturing: Total	Manufacturing: Durable goods	Manufacturing: Nondurable goods	Contract construction	Retail trade	Wholesale trade	Bituminous coal and lignite mining	Class I railroads	Telephone communication	Agriculture [2]
1929		$0.560						$0.659			$0.241
1930		.546						.662			.226
1931		.509						.626			.172
1932		.441	$0.492	$0.412				.503			.129
1933		.437	.467	.419				.485			.115
1934		.526	.550	.505				.651			.129
1935		.544	.571	.520			$0.610	.720			.142
1936		.550	.580	.519			.628	.768			.152
1937		.617	.667	.566			.658	.828		$0.774	.172
1938		.620	.679	.572			.674	.849		.816	.166
1939		.627	.691	.571		$0.484	.688	.858	$0.730	.822	.166
1940		.655	.716	.590		.494	.711	.854	.733	.827	.169
1941		.726	.799	.627		.518	.763	.960	.743	.820	.206
1942		.851	.937	.709		.559	.828	1.030	.837	.843	.268
1943		.957	1.048	.787		.606	.898	1.101	.852	.870	.353
1944		1.011	1.105	.844		.653	.948	1.147	.948	.911	.423
1945		1.016	1.099	.886		.699	.990	1.199	.955	[3].962	.472
1946		1.075	1.144	.995		.797	1.107	1.357	1.087	1.124	.515
1947	$1.131	1.217	1.278	1.145	$1.541	[4].838	1.220	1.582	1.186	1.197	.547
1948	1.225	1.328	1.395	1.250	1.713	.901	1.308	1.835	1.301	1.248	.580
1949	1.275	1.378	1.453	1.295	1.792	.951	1.360	1.877	1.427	1.345	.559
1950	1.335	1.440	1.519	1.347	1.863	.983	1.427	1.944	1.572	1.398	.561
1951	1.45	1.56	1.65	1.44	2.02	1.06	1.52	2.14	1.73	1.49	.625
1952	1.52	1.65	1.75	1.51	2.13	1.09	1.61	2.22	1.83	1.59	.661
1953	1.61	1.74	1.86	1.58	2.28	1.16	1.70	2.40	1.88	1.68	.672
1954	1.65	1.78	1.90	1.62	2.39	1.20	1.76	2.40	1.93	1.76	.661
1955	1.71	1.86	1.99	1.67	2.45	1.25	1.83	2.47	1.96	1.82	.675
1956	1.80	1.95	2.08	1.77	2.57	1.30	1.94	2.72	2.12	1.86	.705
1957	1.89	2.05	2.19	1.85	2.71	1.37	2.02	2.92	2.26	1.95	.728
1958	1.95	2.11	2.26	1.91	2.82	1.42	2.09	2.93	2.44	2.05	.757
1959	2.02	2.19	2.36	1.98	2.93	1.47	2.18	3.11	2.54	2.18	.798
1960	2.09	2.26	2.43	2.05	3.08	1.52	2.24	3.14	2.61	2.26	.818
1961	2.14	2.32	2.49	2.11	3.20	1.56	2.31	3.12	2.67	2.37	.834
1962	2.22	2.39	2.56	2.17	3.31	1.63	2.37	[5] 3.12	2.72	2.48	.856
1963	2.28	2.46	2.63	2.22	3.41	1.68	2.45	[5] 3.15	2.76	2.56	.880
1964	2.36	2.53	2.71	2.29	3.55	1.75	2.52	[5] 3.30	2.80	2.62	.904
1965	2.45	2.61	2.79	2.36	3.70	1.82	2.61	[5] 3.49	3.00	2.70	.951
1966	2.56	2.72	2.90	2.45	3.89	1.91	2.73	[5] 3.66	3.09	2.79	1.03
1967	2.68	2.83	3.00	2.57	4.11	2.01	2.88	[5] 3.75	3.24	2.88	1.12
1968	2.85	3.01	3.19	2.74	4.40	2.16	3.05	[5] 3.86	3.44	3.04	1.21
1969 p	3.04	3.19	3.38	2.91	4.77	2.30	3.23	4.17		3.24	1.33
1968: Jan	2.76	2.94	3.13	2.67	4.36	2.09	2.96	3.82	3.33	2.90	1.24
Feb	2.78	2.94	3.12	2.68	4.29	2.11	3.00	3.79	3.38	2.90	
Mar	2.79	2.96	3.14	2.69	4.30	2.12	3.01	3.79	3.35	2.91	
Apr	2.80	2.97	3.15	2.70	4.29	2.13	3.02	3.77	3.35	2.89	1.08
May	2.83	2.99	3.18	2.72	4.34	2.14	3.04	3.78	3.34	2.96	
June	2.84	3.00	3.18	2.73	4.31	2.16	3.04	3.82	3.40	3.05	
July	2.85	3.00	3.18	2.75	4.36	2.16	3.04		3.46	3.04	1.18
Aug	2.85	2.99	3.17	2.75	4.40	2.16	3.04	3.78	3.49	3.06	
Sept	2.90	3.04	3.23	2.78	4.49	2.19	3.09	3.80	3.53	3.14	
Oct	2.91	3.06	3.24	2.79	4.52	2.20	3.08	3.79	3.50	3.16	1.27
Nov	2.92	3.08	3.27	2.80	4.54	2.22	3.11	4.13	3.56	3.19	
Dec	2.92	3.11	3.30	2.82	4.55	2.21	3.12	4.14	3.55	3.17	
1969: Jan	2.94	3.12	3.31	2.83	4.58	2.24	3.12	4.12	3.58	3.17	1.38
Feb	2.96	3.12	3.31	2.84	4.56	2.26	3.16	4.12	3.64	3.20	
Mar	2.97	3.13	3.32	2.85	4.62	2.26	3.16	4.11	3.60	3.16	
Apr	2.98	3.15	3.33	2.87	4.64	2.27	3.18	4.16	3.60	3.17	1.21
May	3.01	3.16	3.35	2.88	4.71	2.29	3.20	4.18	3.62	3.22	
June	3.03	3.17	3.36	2.89	4.71	2.30	3.24	4.09	3.65	3.22	
July	3.04	3.19	3.37	2.92	4.74	2.30	3.23			3.22	1.29
Aug	3.05	3.19	3.39	2.92	4.79	2.30	3.24	4.14		3.24	
Sept	3.10	3.24	3.44	2.95	4.91	2.33	3.29	4.18		3.30	
Oct	3.11	3.24	3.44	2.96	4.95	2.35	3.29	4.37		3.28	1.37
Nov p	3.12	3.26	3.45	2.97	4.95	2.36	3.33	4.42		3.31	
Dec p	3.11	3.28	3.48	2.99	4.99	2.33	3.34				

[1] For coverage, see footnote 1, Table C–28.
[2] Weighted average of all farm wage rates on a per hour basis.
[3] Nine-month average, April through December, because of new series started in April 1945.
[4] Beginning 1947, data include eating and drinking places.
[5] Eleven-month average; excludes data for July.

Note.—See Note, Tables C–27 and C–28.

Sources: Department of Labor (Bureau of Labor Statistics) and Department of Agriculture.

TABLE C–30.—*Average gross weekly earnings in selected nonagricultural industries, 1929–69*

Year or month	Total nonagricultural private[1]	Manufacturing: Total	Manufacturing: Durable goods	Manufacturing: Nondurable goods	Contract construction	Retail trade	Wholesale trade	Bituminous coal and lignite mining	Class I railroads	Telephone communication
1929		$24.76	$26.84	$22.47				$25.11		
1930		23.00	24.42	21.40				22.04		
1931		20.64	20.98	20.09				17.59		
1932		16.89	15.99	17.26			$26.75	13.58		
1933		16.65	16.20	16.76			25.19	14.21		
1934		18.20	18.59	17.73			25.44	17.45		
1935		19.91	21.24	18.77			25.38	18.86		
1936		21.56	23.72	19.57			26.96	21.89		
1937		23.82	26.61	21.17			28.36	22.94		$30.03
1938		22.07	23.70	20.65			28.51	19.78		31.74
1939		23.64	26.19	21.36		$21.01	28.76	22.99	$31.90	32.14
1940		24.96	28.07	21.83		21.34	29.36	23.74	32.47	32.67
1941		29.48	33.56	24.39		22.17	31.36	29.47	34.03	32.88
1942		36.68	42.17	28.57		23.37	34.28	33.37	39.34	34.14
1943		43.07	48.73	33.45		24.79	37.99	39.97	41.49	36.45
1944		45.70	51.38	36.38		26.77	40.76	49.32	46.36	38.54
1945		44.20	48.36	37.48		28.59	42.37	50.36	46.32	[2] 40.12
1946		43.32	46.22	40.30		32.92	46.05	56.04	50.00	44.29
1947	$45.58	49.17	51.76	46.03	$58.87	[3] 33.77	50.14	63.75	55.03	44.77
1948	49.00	53.12	56.36	49.50	65.27	36.22	53.63	69.18	60.11	48.92
1949	50.24	53.88	57.25	50.38	67.56	38.42	55.49	60.63	62.36	51.78
1950	53.13	58.32	62.43	53.48	69.68	39.71	58.08	67.46	64.14	54.38
1951	57.86	63.34	68.48	56.88	76.96	42.82	62.02	74.69	70.93	58.26
1952	60.65	67.16	72.63	59.95	82.86	43.38	65.53	75.04	74.30	61.22
1953	63.76	70.47	76.63	62.57	86.41	45.36	69.02	81.84	76.33	65.02
1954	64.52	70.49	76.19	63.18	88.91	47.04	71.28	77.52	78.74	68.46
1955	67.72	75.70	82.19	66.63	90.90	48.75	74.48	92.13	82.12	72.07
1956	70.74	78.78	85.28	70.09	96.38	50.18	78.57	102.00	88.40	73.47
1957	73.33	81.59	88.26	72.52	100.27	52.20	81.41	106.00	94.24	76.05
1958	75.08	82.71	89.27	74.11	103.78	54.10	84.02	97.57	101.50	78.72
1959	78.78	88.26	96.05	78.61	108.41	56.15	88.51	111.34	106.43	85.46
1960	80.67	89.72	97.44	80.36	113.04	57.76	90.72	112.41	108.84	89.50
1961	82.60	92.34	100.35	82.92	118.08	58.66	93.56	112.01	112.94	93.38
1962	85.91	96.56	104.70	85.93	122.47	60.96	96.22	114.46	115.87	98.95
1963	88.46	99.63	108.09	87.91	127.19	62.66	99.47	121.43	118.40	102.40
1964	91.33	102.97	112.19	90.91	132.06	64.75	102.31	128.91	121.80	105.32
1965	95.06	107.53	117.18	94.64	138.38	66.61	106.49	140.26	130.80	109.08
1966	98.82	112.34	122.09	98.49	146.26	68.57	111.11	149.74	135.65	113.27
1967	101.84	114.90	123.60	102.03	154.95	70.95	116.06	153.28	139.97	113.18
1968	107.73	122.51	132.07	109.05	164.56	74.95	122.31	153.65	151.02	120.69
1969 p	114.61	129.51	139.59	115.53	181.26	78.66	129.85	165.91		130.90
1968: Jan	103.22	117.60	127.70	103.86	152.60	72.11	118.10	155.47	147.52	113.68
Feb	104.53	119.36	128.54	106.40	155.30	72.80	119.40	153.87	148.72	113.39
Mar	104.90	120.18	129.68	106.79	155.60	72.93	120.10	155.77	143.05	113.78
Apr	104.72	118.21	127.26	104.76	160.02	73.49	120.20	152.69	148.41	111.55
May	106.69	122.29	132.29	108.26	163.18	73.40	121.30	153.09	150.30	112.78
June	108.20	123.30	132.92	109.47	165.50	75.82	122.51	158.53	146.20	121.70
July	108.87	122.10	131.02	110.00	168.30	77.33	123.12	157.70	154.66	122.21
Aug	109.16	121.69	130.29	110.55	170.72	77.33	122.82	154.60	152.51	122.09
Sept	110.49	125.25	135.01	112.03	173.76	75.99	124.22	154.28	151.44	127.48
Oct	110.29	125.77	135.43	111.88	173.57	75.46	123.82	109.91	155.75	128.30
Nov	109.50	125.97	136.36	111.72	159.35	75.70	124.40	167.68	156.28	132.39
Dec	110.38	127.82	137.61	113.08	168.81	76.47	125.74	170.15	155.49	126.48
1969: Jan	110.25	126.05	136.04	111.50	168.09	76.16	124.80	171.39	160.03	126.80
Feb	110.11	124.80	135.05	110.48	166.90	76.39	126.08	167.68	164.89	129.92
Mar	111.67	127.39	137.45	113.15	171.86	76.61	126.40	159.47	154.80	126.08
Apr	111.75	127.58	137.20	113.08	174.46	76.73	127.20	172.64	159.48	125.22
May	113.48	128.61	138.69	114.34	179.92	77.63	128.00	169.29	161.09	128.16
June	115.14	129.65	139.44	115.31	181.34	79.35	129.92	146.01	158.78	130.09
July	115.82	129.20	137.83	116.22	183.91	80.96	130.17	159.18		131.38
Aug	116.51	129.51	139.33	116.51	187.77	81.19	131.22	168.91		130.57
Sept	117.80	132.84	143.45	118.00	192.96	79.69	132.59	169.29		134.64
Oct	117.25	131.87	142.42	117.51	190.08	79.20	132.59	177.42		132.51
Nov p	117.00	132.36	142.14	117.91	183.65	79.30	133.87	174.59		135.05
Dec p	117.25	134.15	144.77	119.60	188.12	79.69	135.27			

[1] For coverage, see footnote 1, Table C–28.
[2] Nine-month average, April through December, because of new series started in April 1945.
[3] Beginning 1947, data include eating and drinking places.

Note.—See Note, Tables C–27 and C–28.

Source: Department of Labor, Bureau of Labor Statistics.

Table C-31.—*Average weekly hours and hourly earnings, gross and excluding overtime, in manufacturing industries, 1939–69*

Year or month	All manufacturing industries: Average weekly hours: Gross	All manufacturing industries: Average weekly hours: Excluding overtime	All manufacturing industries: Average hourly earnings: Gross	All manufacturing industries: Average hourly earnings: Excluding overtime	All manufacturing industries: Average hourly earnings: Adjusted hourly earnings, (1957–59=100) [1]	Durable goods manufacturing industries: Average weekly hours: Gross	Durable goods manufacturing industries: Average weekly hours: Excluding overtime	Durable goods manufacturing industries: Average hourly earnings: Gross	Durable goods manufacturing industries: Average hourly earnings: Excluding overtime	Nondurable goods manufacturing industries: Average weekly hours: Gross	Nondurable goods manufacturing industries: Average weekly hours: Excluding overtime	Nondurable goods manufacturing industries: Average hourly earnings: Gross	Nondurable goods manufacturing industries: Average hourly earnings: Excluding overtime
1939	37.7	......	$0.627	......	32.2	37.9	......	$0.691	......	37.4	......	$0.571	......
1940	38.1	......	.655	......	......	39.2	......	.716	......	37.0	......	.590	......
1941	40.6	......	.726	$0.691	[2] 33.4	42.0	......	.799	$0.762	38.9	......	.627	$0.613
1942	43.1	......	.851	.793	[2] 37.5	45.0	......	.937	.872	40.3	......	.709	.684
1943	45.0	......	.957	.881	[2] 40.8	46.5	......	1.048	.966	42.5	......	.787	.748
1944	45.2	......	1.011	.933	[2] 43.7	46.5	......	1.105	1.019	43.1	......	.844	.798
1945	43.5	......	1.016	[3] .949	[2] 45.5	44.0	......	1.099	[3] 1.031	42.3	......	.886	[3] .841
1946	40.3	......	1.075	1.035	[2] 50.4	40.4	......	1.144	1.111	40.5	......	.995	.962
1947	40.4	......	1.217	1.18	57.8	40.5	......	1.278	1.24	40.2	......	1.145	1.11
1948	40.0	......	1.328	1.29	63.2	40.4	......	1.395	1.35	39.6	......	1.250	1.21
1949	39.1	......	1.378	1.34	66.1	39.4	......	1.453	1.42	38.9	......	1.295	1.26
1950	40.5	......	1.440	1.39	68.2	41.1	......	1.519	1.46	39.7	......	1.347	1.31
1951	40.6	......	1.56	1.51	73.6	41.5	......	1.65	1.59	39.5	......	1.44	1.40
1952	40.7	......	1.65	1.59	77.4	41.5	......	1.75	1.68	39.7	......	1.51	1.46
1953	40.5	......	1.74	1.68	81.6	41.2	......	1.86	1.79	39.6	......	1.58	1.53
1954	39.6	......	1.78	1.73	84.3	40.1	......	1.90	1.84	39.0	......	1.62	1.58
1955	40.7	......	1.86	1.79	86.9	41.3	......	1.99	1.91	39.9	......	1.67	1.62
1956	40.4	37.6	1.95	1.89	91.5	41.0	38.0	2.08	2.01	39.6	37.2	1.77	1.72
1957	39.8	37.5	2.05	1.99	96.2	40.3	37.9	2.19	2.12	39.2	37.0	1.85	1.80
1958	39.2	37.2	2.11	2.05	100.2	39.5	37.6	2.26	2.21	38.8	36.6	1.91	1.86
1959	40.3	37.6	2.19	2.12	103.4	40.7	38.0	2.36	2.28	39.7	37.0	1.98	1.92
1960	39.7	37.3	2.26	2.20	106.8	40.1	37.7	2.43	2.36	39.2	36.7	2.05	1.99
1961	39.8	37.4	2.32	2.25	109.9	40.3	38.0	2.49	2.42	39.3	36.8	2.11	2.05
1962	40.4	37.6	2.39	2.31	112.7	40.9	38.1	2.56	2.48	39.6	36.9	2.17	2.09
1963	40.5	37.7	2.46	2.37	115.5	41.1	38.2	2.63	2.54	39.6	36.9	2.22	2.15
1964	40.7	37.6	2.53	2.44	118.4	41.4	38.1	2.71	2.60	39.7	36.8	2.29	2.21
1965	41.2	37.6	2.61	2.51	121.5	42.0	38.1	2.79	2.67	40.1	36.9	2.36	2.27
1966	41.3	37.4	2.72	2.59	125.6	42.1	37.8	2.90	2.76	40.2	36.8	2.45	2.35
1967	40.6	37.2	2.83	2.72	131.5	41.2	37.7	3.00	2.88	39.7	36.6	2.57	2.47
1968	40.7	37.1	3.01	2.88	139.5	41.4	37.6	3.19	3.05	39.8	36.5	2.74	2.63
1969 p	40.6	37.0	3.19	3.05	147.7	41.3	37.5	3.38	3.23	39.7	36.3	2.91	2.79
1968: Jan	40.0	36.7	2.94	2.83	136.1	40.8	37.3	3.13	3.00	38.9	35.9	2.67	2.57
Feb	40.6	37.3	2.94	2.83	136.9	41.2	37.8	3.12	3.00	39.7	36.6	2.68	2.58
Mar	40.6	37.3	2.96	2.84	137.5	41.3	37.8	3.14	3.02	39.7	36.6	2.69	2.59
Apr	39.8	36.9	2.97	2.86	138.2	40.4	37.4	3.15	3.03	38.8	36.1	2.70	2.61
May	40.9	37.3	2.99	2.87	138.6	41.6	37.8	3.18	3.04	39.8	36.6	2.72	2.61
June	41.1	37.4	3.00	2.87	138.8	41.8	37.9	3.18	3.04	40.1	36.7	2.73	2.62
July	40.7	37.2	3.00	2.88	139.1	41.2	37.6	3.18	3.04	40.0	36.6	2.75	2.63
Aug	40.7	37.1	2.99	2.86	139.8	41.1	37.5	3.17	3.03	40.2	36.7	2.75	2.64
Sept	41.2	37.2	3.04	2.90	141.2	41.8	37.6	3.23	3.07	40.3	36.5	2.78	2.66
Oct	41.1	37.2	3.06	2.92	141.7	41.8	37.6	3.24	3.09	40.1	36.6	2.79	2.67
Nov	40.9	37.0	3.08	2.94	142.6	41.7	37.5	3.27	3.11	39.9	36.4	2.80	2.69
Dec	41.1	37.2	3.11	2.97	143.6	41.7	37.6	3.30	3.15	40.1	36.6	2.82	2.70
1969: Jan	40.4	36.8	3.12	2.98	144.4	41.1	37.4	3.31	3.16	39.4	36.1	2.83	2.72
Feb	40.0	36.7	3.12	3.00	144.9	40.8	37.2	3.31	3.17	38.9	35.9	2.84	2.73
Mar	40.7	37.2	3.13	3.00	145.2	41.4	37.7	3.32	3.17	39.7	36.5	2.85	2.74
Apr	40.5	37.0	3.15	3.02	146.0	41.2	37.6	3.33	3.19	39.4	36.2	2.87	2.76
May	40.7	37.1	3.16	3.03	146.6	41.4	37.7	3.35	3.20	39.7	36.4	2.88	2.77
June	40.9	37.2	3.17	3.03	146.9	41.5	37.6	3.36	3.21	39.9	36.5	2.89	2.77
July	40.5	37.0	3.19	3.06	147.8	40.9	37.3	3.37	3.23	39.8	36.4	2.92	2.80
Aug	40.6	36.9	3.19	3.06	148.4	41.1	37.3	3.39	3.24	39.9	36.4	2.92	2.79
Sept	41.0	37.0	3.24	3.09	149.5	41.7	37.5	3.44	3.27	40.0	36.3	2.95	2.82
Oct	40.7	37.0	3.24	3.10	150.2	41.4	37.5	3.44	3.29	39.7	36.2	2.96	2.83
Nov p	40.6	37.0	3.26	3.12	151.0	41.2	37.5	3.45	3.31	39.7	36.3	2.97	2.85
Dec p	40.9	37.4	3.28	3.15	152.0	41.6	38.0	3.48	3.34	40.0	36.6	2.99	2.87

[1] Earnings in current prices adjusted to exclude the effects of overtime and interindustry shifts.
[2] Annual average not available; April used.
[3] Eleven-month average; August 1945 excluded because of VJ Day holiday period.

Note.—See Note, Tables C–27 and C–28.
See Table C–28 for seasonally adjusted average gross weekly hours.

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C-32.—*Average weekly earnings, gross and spendable, total private nonagricultural industries, in current and 1957–59 prices, 1947–69*

Year or month	Average gross weekly earnings: Current prices	Average gross weekly earnings: 1957–59 prices [1]	Average spendable weekly earnings [2]: Worker with no dependents: Current prices	Worker with no dependents: 1957–59 prices [1]	Worker with three dependents: Current prices	Worker with three dependents: 1957–59 prices [1]
1947	$45.58	$58.59	$39.16	$50.33	$44.64	$57.38
1948	49.00	58.47	43.11	51.44	48.51	57.89
1949	50.24	60.53	44.15	53.19	49.74	59.93
1950	53.13	63.40	46.02	54.92	52.04	62.10
1951	57.86	63.93	48.68	53.79	55.79	61.65
1952	60.65	65.57	50.07	54.13	57.87	62.56
1953	63.76	68.41	52.45	56.28	60.31	64.71
1954	64.52	68.93	53.76	57.44	60.85	65.01
1955	67.72	72.58	56.27	60.31	63.41	67.96
1956	70.74	74.70	58.63	61.91	65.82	69.50
1957	73.33	74.83	60.47	61.70	67.71	69.09
1958	75.08	74.56	61.83	61.40	69.11	68.63
1959	78.78	77.62	64.52	63.57	71.86	70.80
1960	80.67	78.24	65.59	63.62	72.96	70.77
1961	82.60	79.27	67.08	64.38	74.48	71.48
1962	85.91	81.55	69.56	66.00	76.99	73.05
1963	88.46	82.91	71.05	66.59	78.56	73.63
1964	91.33	84.49	75.04	69.42	82.57	76.38
1965	95.06	86.50	78.99	71.87	86.30	78.53
1966	98.82	87.37	81.29	71.87	88.66	78.39
1967	101.84	87.57	83.38	71.69	90.86	78.13
1968	107.73	88.89	86.71	71.54	95.28	78.61
1969 p	114.61	89.75	90.96	71.23	99.99	78.30
1968: Jan	103.22	87.03	84.43	71.19	91.96	77.54
Feb	104.53	87.84	85.42	71.78	93.01	78.16
Mar	104.90	87.78	85.70	71.72	93.30	78.08
Apr	104.72	87.34	84.11	70.15	92.90	77.48
May	106.69	88.69	85.57	71.13	94.40	78.47
June	108.20	89.50	86.68	71.70	95.55	79.03
July	108.87	89.60	87.18	71.75	96.07	79.07
Aug	109.16	89.55	87.39	71.69	96.29	78.99
Sept	110.49	90.42	88.37	72.32	97.30	79.62
Oct	110.29	89.74	88.23	71.79	97.15	79.05
Nov	109.50	88.74	87.64	71.02	96.55	78.24
Dec	110.38	89.23	88.29	71.37	97.22	78.59
1969: Jan	110.25	88.84	87.76	70.72	96.68	77.90
Feb	110.11	88.37	87.65	70.35	96.57	77.50
Mar	111.67	88.91	88.80	70.70	97.76	77.83
Apr	111.75	88.41	88.86	70.30	97.82	77.39
May	113.48	89.50	90.13	71.08	99.13	78.18
June	115.14	90.24	91.35	71.59	100.40	78.68
July	115.82	90.34	91.85	71.65	100.92	78.72
Aug	116.51	90.53	92.35	71.76	101.45	78.83
Sept	117.80	91.11	93.30	72.16	102.44	79.23
Oct	117.25	90.33	92.89	71.56	102.01	78.59
Nov p	117.00	89.66	92.71	71.04	101.82	78.02
Dec p	117.25	89.30	92.89	70.75	102.01	77.69

[1] Earnings in current prices divided by the consumer price index.
[2] Average gross weekly earnings less social security and income taxes.

Note.—"Total private" consists of manufacturing; contract construction; retail and wholesale trade; mining; transportation and public utilities; finance, insurance, and real estate; and services.

See also Note, Tables C-27 and C-28.

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C-33.—*Average weekly earnings, gross and spendable, in manufacturing industries, in current and 1957–59 prices, 1939–69*

Year or month	Average gross weekly earnings		Average spendable weekly earnings [2]			
			Worker with no dependents		Worker with three dependents	
	Current prices	1957–59 prices [1]	Current prices	1957–59 prices [1]	Current prices	1957–59 prices [1]
1939	$23.64	$48.84	$23.37	$48.29	$23.40	$48.35
1940	24.96	51.15	24.46	50.12	24.71	50.64
1941	29.48	57.47	27.96	54.50	29.19	56.90
1942	36.68	64.58	31.80	55.99	36.31	63.93
1943	43.07	71.43	35.95	59.62	41.33	68.54
1944	45.70	74.55	37.99	61.97	43.76	71.39
1945	44.20	70.49	36.82	58.72	42.59	67.93
1946	43.32	63.71	37.31	54.87	42.79	62.93
1947	49.17	63.20	42.10	54.11	47.58	61.16
1948	53.12	63.39	46.57	55.57	52.31	62.42
1949	53.88	64.92	47.21	56.88	52.95	63.80
1950	58.32	69.59	50.26	59.98	56.36	67.26
1951	63.34	69.99	52.97	58.53	60.18	66.50
1952	67.16	72.61	55.04	59.50	62.98	68.09
1953	70.47	75.61	57.59	61.79	65.60	70.39
1954	70.49	75.31	58.45	62.45	65.65	70.14
1955	75.70	81.14	62.51	67.00	69.79	74.80
1956	78.78	83.19	64.92	68.55	72.25	76.29
1957	81.59	83.26	66.93	68.30	74.31	75.83
1958	82.71	82.14	67.82	67.35	75.23	74.71
1959	88.26	86.96	71.89	70.83	79.40	78.23
1960	89.72	87.02	72.57	70.39	80.11	77.70
1961	92.34	88.62	74.60	71.59	82.18	78.87
1962	96.56	91.61	77.86	73.87	85.53	81.15
1963	99.63	93.37	79.82	74.81	87.58	82.08
1964	102.97	95.25	84.40	78.08	92.18	85.27
1965	107.53	97.84	89.08	81.06	96.78	88.06
1966	112.34	99.33	91.57	80.96	99.45	87.93
1967	114.90	98.80	93.28	80.21	101.26	87.07
1968	122.51	101.08	97.70	80.61	106.75	88.08
1969 p	129.51	101.42	101.90	79.80	111.44	87.27
1968: Jan	117.60	99.16	95.33	80.38	103.43	87.21
Feb	119.36	100.30	96.66	81.23	104.85	88.11
Mar	120.18	100.57	97.29	81.41	105.50	88.28
Apr	118.21	98.59	94.07	78.46	103.23	86.10
May	112.29	101.65	97.08	80.70	106.38	88.43
June	123.30	101.99	97.83	80.92	107.16	88.64
July	122.10	100.49	96.94	79.79	106 23	87.43
Aug	121.69	99.83	96.64	79.28	105.91	86.88
Sept	125.25	102.50	99.27	81.24	108.66	88.92
Oct	125.77	102.34	99.65	81.08	109.06	88.74
Nov	125.97	102.08	99.80	80.88	109.22	88.51
Dec	127.82	103.33	101.17	81.79	110.65	89.45
1969: Jan	126.05	101.57	99.36	80.06	108.78	87.66
Feb	124.80	100.16	98.44	79.00	107.82	86.53
Mar	127.39	101.43	100.34	79.89	109.81	87.43
Apr	127.58	100.93	100.48	79.49	109.95	86.99
May	128.61	101.43	101.24	79.84	110.74	87.33
June	129.65	101.61	102.00	79.94	111.54	87.41
July	129.20	100.78	101.67	79.31	111.20	86.74
Aug	129.51	100.63	101.90	79.18	111.44	86.59
Sept	132.84	102.74	104.34	80.70	114.01	88.17
Oct	131.87	101.59	103.63	79.84	113.25	87.25
Nov p	132.36	101.43	103.99	79.69	113.63	87.07
Dec p	134.15	102.17	105.30	80.20	115.03	87.61

[1] Earnings in current prices divided by the consumer price index.
[2] Average gross weekly earnings less social security and income taxes.

Note.—See Note, Tables C-27 and C-28.

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C–34.—*Indexes of output per man-hour and related data, private economy, 1947–69*

[1957–59=100]

Year	Output per man-hour					Output [1]					Man-hours [2]				
	Total private	Farm	Nonfarm industries			Total private	Farm	Nonfarm industries			Total private	Farm	Nonfarm industries		
			Total	Manufacturing	Nonmanufacturing			Total	Manufacturing	Nonmanufacturing			Total	Manufacturing	Nonmanufacturing
	Establishment basis [3]														
1947	69.0	49.8	74.1	72.3	75.1	67.6	82.1	66.8	69.3	65.6	98.0	164.8	90.1	95.8	87.4
1948	72.0	58.0	76.5	76.4	76.3	70.8	91.8	69.8	72.7	68.3	98.4	158.4	91.3	95.1	89.5
1949	74.2	56.5	79.5	79.3	79.6	70.6	88.9	69.7	68.7	70.2	95.1	157.3	87.7	86.6	88.2
1950	80.3	64.4	84.4	85.0	84.1	77.9	93.7	77.0	79.7	75.7	97.0	145.6	91.2	93.8	90.0
1951	82.7	64.7	86.3	86.9	85.6	82.8	88.9	82.5	87.8	79.8	100.1	137.5	95.6	101.0	93.2
1952	84.3	70.3	87.0	87.3	86.7	84.8	91.8	84.5	89.7	81.9	100.6	130.6	97.1	102.7	94.5
1953	87.8	79.6	89.6	90.2	88.8	89.1	96.6	88.8	97.1	84.5	101.5	121.4	99.1	107.7	95.2
1954	89.9	83.7	91.6	91.8	91.5	87.9	98.6	87.4	90.3	86.0	97.8	117.8	95.4	98.4	94.0
1955	93.9	84.4	95.7	97.2	94.7	95.4	101.0	95.1	100.9	92.2	101.6	119.6	99.4	103.8	97.4
1956	94.1	88.0	95.2	96.2	94.3	97.2	100.5	97.1	101.3	94.9	103.3	114.2	102.0	105.3	100.6
1957	96.9	93.3	97.2	98.2	96.7	98.6	98.1	98.6	101.7	97.1	101.8	105.1	101.4	103.6	100.4
1958	99.8	103.0	99.7	98.1	100.6	97.3	100.5	97.2	93.4	99.1	97.5	97.6	97.5	95.2	98.5
1959	103.4	104.8	103.1	103.7	102.9	104.1	101.9	104.2	104.9	103.9	100.7	97.2	101.1	101.2	101.0
1960	105.0	110.7	104.4	105.5	103.9	106.6	105.8	106.7	106.4	106.8	101.5	95.6	102.2	100.9	102.8
1961	108.6	119.4	107.4	107.9	107.4	108.6	107.2	108.7	106.0	110.1	100.0	89.8	101.2	98.2	102.5
1962	113.8	122.2	112.3	114.3	111.5	116.0	106.8	116.5	116.8	116.3	101.9	87.4	103.7	102.2	104.3
1963	117.9	133.1	115.7	118.9	114.3	120.8	110.1	121.4	122.7	120.8	102.5	82.7	104.9	103.2	105.7
1964	122.5	135.5	120.0	124.7	118.0	127.8	107.7	128.8	131.2	127.7	104.3	79.5	107.3	105.2	108.2
1965	126.6	148.1	123.6	129.8	120.5	136.2	114.5	137.3	143.9	134.0	107.5	77.3	111.1	110.9	111.2
1966	131.7	153.8	127.9	131.8	125.8	144.9	108.2	146.9	155.4	142.6	110.1	70.1	114.8	117.9	113.4
1967	134.3	168.5	129.9	132.1	128.7	148.2	114.5	150.0	155.3	147.3	110.4	67.7	115.4	117.6	114.4
1968	138.7	168.5	134.2	139.2	131.6	155.6	112.6	157.9	166.6	153.5	112.2	66.6	117.6	119.7	116.6
1969 p	139.9	181.4	134.8	142.8	130.6	160.1	113.5	162.6	173.6	157.0	114.4	62.4	120.6	121.6	120.2
	Labor force basis [4]														
1947	67.9	49.8	72.9	------	------	67.6	82.1	66.8	------	------	99.6	164.8	91.6	------	------
1948	70.2	58.0	74.5	------	------	70.8	91.8	69.8	------	------	100.8	158.2	93.7	------	------
1949	71.9	56.1	76.8	------	------	70.6	88.9	69.7	------	------	98.2	158.6	90.8	------	------
1950	78.5	64.1	82.4	------	------	77.9	93.7	77.0	------	------	99.2	146.2	93.4	------	------
1951	82.1	64.3	85.7	------	------	82.8	88.9	82.5	------	------	100.9	138.3	96.3	------	------
1952	84.5	69.9	87.5	------	------	84.8	91.8	84.5	------	------	100.4	131.3	96.6	------	------
1953	88.4	79.1	90.4	------	------	89.1	96.6	88.8	------	------	100.8	122.1	98.2	------	------
1954	90.8	83.3	92.8	------	------	87.9	98.6	87.4	------	------	96.8	118.3	94.2	------	------
1955	94.7	84.0	96.7	------	------	95.4	101.0	95.1	------	------	100.7	120.3	98.3	------	------
1956	94.6	87.5	95.9	------	------	97.2	100.5	97.1	------	------	102.7	114.9	101.2	------	------
1957	97.2	93.3	97.7	------	------	98.6	98.1	98.6	------	------	101.4	105.2	100.9	------	------
1958	99.4	103.1	99.2	------	------	97.3	100.5	97.2	------	------	97.9	97.5	98.0	------	------
1959	103.4	104.7	103.1	------	------	104.1	101.9	104.2	------	------	100.7	97.3	101.1	------	------
1960	104.5	110.7	103.8	------	------	106.6	105.8	106.7	------	------	102.0	95.6	102.8	------	------
1961	107.3	119.9	105.9	------	------	108.6	107.2	108.7	------	------	101.2	89.4	102.6	------	------
1962	113.0	122.3	111.4	------	------	116.0	106.8	116.5	------	------	102.7	87.3	104.6	------	------
1963	116.7	133.5	114.4	------	------	120.8	110.1	121.4	------	------	103.5	82.5	106.1	------	------
1964	121.0	135.8	118.4	------	------	127.8	107.7	128.8	------	------	105.6	79.3	108.8	------	------
1965	125.0	148.3	121.8	------	------	136.2	114.5	137.3	------	------	108.9	77.2	112.8	------	------
1966	130.7	153.7	126.7	------	------	144.9	108.2	146.9	------	------	110.9	70.2	115.9	------	------
1967	133.3	168.2	128.7	------	------	148.2	114.5	150.0	------	------	111.2	67.8	116.5	------	------
1968	138.6	169.1	133.9	------	------	155.6	112.6	157.9	------	------	112.3	66.3	117.9	------	------
1969 p	140.1	182.0	134.8	------	------	160.1	113.5	162.6	------	------	114.3	62.4	120.6	------	------

[1] Output refers to gross national product in 1958 prices.

[2] Hours of all persons in private industry engaged in production, including man-hours of proprietors and unpaid family workers.

[3] Man-hours estimates based primarily on establishment data.

[4] Man-hours estimates based primarily on labor force data.

Note.—For information on sources, methodology, trends, and underlying factors influencing the measures, see Bureau of Labor Statistics, Department of Labor, Bulletin No. 1249 "Trends in Output per Man-Hour in the Private Economy, 1909–58," December 1959.

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C-35.—*Industrial production indexes, major industry divisions, 1929–69*

[1957-59=100]

Year or month	Total industrial production	Manufacturing: Total	Manufacturing: Durable	Manufacturing: Nondurable	Mining	Utilities
1929	38.4	38.6	38.2	38.3	54.2	12.7
1930	32.0	31.7	28.4	34.8	47.0	13.1
1931	26.5	25.9	19.5	32.8	40.3	12.5
1932	20.7	19.9	11.9	28.9	33.6	11.7
1933	24.4	23.7	15.5	32.8	38.5	11.5
1934	26.6	26.0	18.8	33.8	40.3	12.2
1935	30.7	30.6	24.1	37.4	43.7	13.2
1936	36.3	36.4	31.2	41.6	50.3	14.9
1937	39.7	39.7	35.2	44.1	56.7	16.4
1938	31.4	30.5	22.6	39.1	49.0	16.5
1939	38.3	37.9	31.4	44.9	53.8	18.3
1940	43.9	43.8	40.0	47.3	60.1	20.3
1941	56.4	58.3	57.7	57.6	64.8	22.8
1942	69.3	73.1	79.9	63.7	67.0	25.6
1943	82.9	88.7	102.9	70.7	69.0	28.3
1944	81.7	86.3	100.9	68.2	74.2	30.1
1945	70.5	73.0	78.2	65.6	73.0	30.6
1946	59.5	60.0	54.7	64.8	72.2	31.8
1947	65.7	66.4	64.3	67.2	79.9	36.5
1948	68.4	68.9	67.0	69.5	84.0	40.8
1949	64.7	65.1	60.9	68.3	74.5	43.4
1950	74.9	75.8	74.1	76.0	83.2	49.5
1951	81.3	81.9	83.5	78.5	91.3	56.4
1952	84.3	85.2	88.5	80.0	90.5	61.2
1953	91.3	92.7	99.9	83.6	92.9	66.8
1954	85.8	86.3	88.4	83.6	90.2	71.8
1955	96.6	97.3	101.9	91.6	99.2	80.2
1956	99.9	100.2	104.0	95.4	104.8	87.9
1957	100.7	100.8	104.0	96.7	104.6	93.9
1958	93.7	93.2	90.3	96.8	95.6	98.1
1959	105.6	106.0	105.6	106.5	99.7	108.0
1960	108.7	108.9	108.5	109.5	101.6	115.6
1961	109.7	109.6	107.0	112.9	102.6	122.3
1962	118.3	118.7	117.9	119.8	105.0	131.4
1963	124.3	124.9	124.5	125.3	107.9	140.0
1964	132.3	133.1	133.5	132.6	111.5	151.3
1965	143.4	145.0	148.4	140.8	114.8	160.9
1966	156.3	158.6	164.8	150.8	120.5	173.9
1967	158.1	159.7	163.7	154.6	123.8	184.9
1968	165.5	166.9	169.8	163.3	126.6	202.5
1969 p	172.7	173.8	176.4	170.5	130.2	221.3
	Seasonally adjusted					
1968: Jan	161.5	163.1	167.5	157.7	121.9	196.1
Feb	162.5	163.9	167.9	158.9	124.3	198.5
Mar	163.3	164.7	168.2	160.2	126.5	198.0
Apr	163.0	164.4	167.3	160.7	127.2	196.8
May	164.9	166.4	169.9	162.0	127.9	198.4
June	166.0	167.6	171.2	163.0	128.6	198.9
July	166.5	167.8	171.2	163.5	130.3	202.0
Aug	165.1	166.0	167.9	163.6	129.7	204.7
Sept	165.9	166.9	168.6	164.8	127.3	206.9
Oct	166.3	167.9	169.4	166.1	120.8	209.2
Nov	167.8	169.2	171.0	167.1	126.6	207.2
Dec	168.7	170.1	172.1	167.5	127.8	210.6
1969: Jan	169.1	170.2	173.0	166.7	125.8	215.1
Feb	170.1	171.8	174.5	168.3	124.8	214.9
Mar	171.4	173.1	175.9	169.5	126.7	215.1
Apr	171.7	173.0	175.7	169.6	128.8	216.3
May	172.5	173.8	176.7	170.3	130.3	213.6
June	173.7	174.8	178.3	170.5	134.4	215.6
July	174.6	175.6	178.7	171.8	133.2	222.2
Aug	174.3	175.4	178.8	171.3	131.2	222.6
Sept	173.9	175.2	178.7	170.9	131.6	222.5
Oct	173.1	174.1	177.3	170.1	130.2	224.4
Nov	171.4	171.9	172.5	171.1	132.0	224.9
Dec p	170.9	171.2	171.3	171.1	133.9	225.5

Source: Board of Governors of the Federal Reserve System.

TABLE C–36.—*Industrial production indexes, market groupings, 1947–69*

[1957-59=100]

Year or month	Total industrial production	Final products: Total	Consumer goods[1]: Total	Consumer goods[1]: Automotive products	Consumer goods[1]: Home goods	Equipment: Total, including defense	Equipment: Business	Materials: Total	Materials: Durable goods	Materials: Nondurable goods
1947	65.7	64.2	67.1	69.4	68.8	55.4	69.9	67.0	68.2	64.9
1948	68.4	66.6	69.2	72.6	71.7	58.3	72.6	70.2	71.0	68.2
1949	64.7	64.5	68.8	72.0	66.3	52.0	63.5	64.8	64.2	64.2
1950	74.9	72.8	78.6	90.6	91.4	56.4	68.0	76.9	79.5	73.3
1951	81.3	78.6	77.8	80.1	78.7	78.4	83.1	83.8	87.8	78.8
1952	84.3	84.3	79.5	72.1	78.8	94.1	94.1	84.3	88.9	79.0
1953	91.3	89.9	85.0	91.3	90.2	100.5	96.6	92.6	100.7	84.1
1954	85.8	85.7	84.3	85.0	86.0	88.9	85.1	85.9	88.4	83.3
1955	96.6	93.9	93.3	118.3	97.3	95.0	91.9	99.0	104.7	93.0
1956	99.9	98.1	95.5	97.8	100.9	103.7	104.7	101.6	105.3	97.7
1957	100.7	99.4	97.0	105.2	96.6	104.6	105.3	101.9	104.8	98.9
1958	93.7	94.8	96.4	86.7	92.8	91.3	89.8	92.7	90.0	95.4
1959	105.6	105.7	106.6	108.1	110.7	104.1	104.9	105.4	105.1	105.7
1960	108.7	109.9	111.0	123.2	110.8	107.6	110.2	107.6	106.6	108.7
1961	109.7	111.2	112.6	111.8	112.2	108.3	110.1	108.4	104.8	112.2
1962	118.3	119.7	119.7	131.1	122.2	119.6	122.1	117.0	114.1	120.0
1963	124.3	124.9	125.2	141.2	129.6	124.2	128.3	123.7	121.2	126.3
1964	132.3	131.8	131.7	145.1	141.1	132.0	139.1	132.8	131.2	134.4
1965	143.4	142.5	140.3	167.2	154.8	147.0	156.7	144.2	144.3	144.1
1966	156.3	155.5	147.5	163.0	168.9	172.6	181.2	157.0	156.9	157.2
1967	158.1	158.3	148.5	149.1	166.0	179.4	182.8	157.8	151.9	163.9
1968	165.5	165.1	156.9	174.3	175.4	182.6	184.7	165.8	157.8	174.1
1969 p	172.7	170.8	162.4	172.9	184.1	188.6	195.6	174.6	165.5	184.0
	Seasonally adjusted									
1968: Jan	161.5	161.2	151.9	164.7	168.4	181.1	183.1	162.3	155.4	169.5
Feb	162.5	162.2	153.1	162.7	171.5	181.6	182.9	162.6	156.4	168.9
Mar	163.3	163.5	155.0	173.0	173.5	181.9	183.5	162.9	156.5	169.5
Apr	163.0	162.2	154.0	169.3	170.1	179.8	181.5	163.8	158.1	169.7
May	164.9	163.7	155.5	178.3	170.4	181.3	182.9	166.4	160.4	172.6
June	166.0	165.5	157.4	179.8	173.2	183.1	184.2	167.0	160.4	173.8
July	166.5	165.2	157.2	180.4	172.3	182.5	183.3	168.2	161.3	175.3
Aug	165.1	165.4	157.6	177.0	174.5	181.9	182.4	164.6	153.9	175.7
Sept	165.9	166.0	157.9	175.5	175.9	183.7	185.5	166.3	155.4	177.4
Oct	166.3	167.3	159.0	178.9	176.9	183.6	187.7	165.9	155.4	176.6
Nov	167.8	167.6	159.2	180.8	178.6	185.5	190.3	168.1	158.6	177.9
Dec	168.7	167.9	160.2	177.8	180.4	184.5	189.3	168.8	158.9	179.0
1969: Jan	169.1	168.2	161.0	176.2	184.3	183.5	191.4	169.6	161.2	178.3
Feb	170.1	169.3	161.7	174.7	183.0	185.5	191.9	170.8	162.6	179.2
Mar	171.4	170.8	162.8	175.4	186.3	187.8	192.9	172.1	164.0	180.3
Apr	171.7	170.2	161.8	166.1	186.1	188.4	194.1	172.9	165.8	180.3
May	172.5	170.0	160.7	165.8	185.9	190.0	195.7	174.5	165.5	183.7
June	173.7	170.7	161.5	178.7	186.1	190.4	197.0	176.3	167.0	185.9
July	174.6	172.8	164.4	184.6	184.4	190.8	196.9	176.5	167.0	186.4
Aug	174.3	172.7	164.2	179.5	184.5	190.3	197.0	175.9	167.3	184.7
Sept	173.9	172.2	162.8	176.6	181.2	192.4	200.4	176.0	166.6	185.5
Oct	173.1	170.7	160.8	172.8	179.5	191.8	200.8	175.9	165.8	186.3
Nov	171.4	168.0	159.6	167.5	167.7	185.9	194.6	174.6	163.1	186.5
Dec p	170.9	167.6	159.1	161	--------	185.8	195	174.0	162	187

[1] Also includes apparel and consumer staples, not shown separately.

Source: Board of Governors of the Federal Reserve System.

TABLE C–37.—*Industrial production indexes, selected manufactures, 1947–69*

[1957–59=100]

Year or month	Durable manufactures: Primary metals	Durable manufactures: Fabricated metal products	Durable manufactures: Machinery	Durable manufactures: Transportation equipment	Durable manufactures: Instruments and related products	Durable manufactures: Clay, glass, and lumber	Durable manufactures: Furniture and miscellaneous	Nondurable manufactures: Textile, apparel, and leather products	Nondurable manufactures: Paper and printing	Nondurable manufactures: Chemical, petroleum, and rubber products	Nondurable manufactures: Foods, beverages, and tobacco
1947	90.7	75.9	65.3	42.9	53.7	75.8	73.5	81.0	66.7	47.5	80.7
1948	94.3	77.2	66.5	46.9	55.2	79.7	77.4	84.5	69.4	50.8	80.0
1949	79.4	69.8	59.0	47.1	49.2	72.3	71.6	80.6	69.3	49.4	80.8
1950	99.9	85.4	72.7	56.4	57.3	87.7	83.7	89.1	76.7	60.7	83.6
1951	108.7	91.2	83.0	62.9	65.7	92.0	80.2	87.4	79.4	67.4	85.4
1952	99.3	89.0	92.1	73.1	78.1	89.3	82.4	89.5	77.7	69.9	87.3
1953	112.5	100.3	100.5	91.7	85.3	92.7	89.7	90.7	82.6	75.2	88.2
1954	91.3	90.2	87.7	83.8	82.9	89.6	86.8	86.9	85.0	74.7	89.8
1955	118.4	98.3	96.5	102.0	88.7	100.7	97.9	95.5	92.5	86.8	93.1
1956	116.4	98.8	107.1	97.4	95.4	102.0	101.0	98.0	97.1	91.4	96.6
1957	112.2	101.5	104.2	106.4	98.0	97.5	97.6	96.9	97.8	95.6	96.7
1958	87.5	92.9	88.8	89.5	92.1	94.1	93.3	95.0	97.0	95.5	99.4
1959	100.4	105.5	107.1	104.0	109.9	108.5	109.0	108.1	105.2	108.9	103.9
1960	101.3	107.6	110.8	108.2	116.5	105.7	113.3	107.5	109.0	113.9	106.6
1961	98.9	106.5	110.4	103.6	115.8	104.5	114.1	108.4	112.4	118.9	110.2
1962	104.6	117.1	123.5	118.3	123.0	109.3	124.5	115.1	116.7	131.2	113.3
1963	113.3	123.4	129.2	127.0	130.2	114.4	129.1	118.5	120.1	141.8	116.8
1964	129.1	132.7	141.4	130.7	136.4	121.1	138.4	125.2	127.5	152.5	120.8
1965	137.6	147.8	160.5	149.2	151.4	127.6	151.8	135.8	135.3	164.6	123.4
1966	142.7	163.0	183.8	166.9	176.5	132.9	165.0	141.6	146.4	181.9	128.1
1967	132.5	161.9	183.4	165.7	184.8	130.7	162.6	139.4	149.6	190.0	131.7
1968	137.0	167.9	184.3	179.5	184.2	137.4	169.9	144.8	155.5	207.7	135.3
1969 p	149.2	179.8	195.6	174.6	194.2	142.1	176.6	143.9	164.7	222.4	138.9
	Seasonally adjusted										
1968: Jan	138.1	163.9	183.4	175.6	186.7	132.7	165.2	141.1	150.0	197.9	132.8
Feb	140.3	165.7	183.5	175.1	184.7	130.7	166.9	141.9	150.1	200.5	133.7
Mar	140.3	166.5	183.3	177.6	183.8	129.0	166.9	143.9	152.4	201.6	133.9
Apr	144.3	161.3	179.4	175.3	181.4	137.8	166.5	144.2	152.3	202.9	134.3
May	148.1	164.9	180.4	180.4	181.2	137.9	169.8	144.8	155.1	204.6	134.4
June	148.6	167.6	181.7	182.6	181.3	137.1	169.5	145.6	155.2	206.3	135.6
July	147.4	166.1	183.0	183.2	179.2	136.2	169.5	144.3	155.8	208.0	136.0
Aug	124.1	166.2	183.8	181.7	182.6	135.3	170.1	144.1	156.9	208.3	135.2
Sept	120.6	167.5	186.4	180.5	184.3	138.8	170.9	144.8	158.2	211.0	135.3
Oct	123.2	172.1	186.2	180.4	185.8	140.0	172.2	146.9	158.0	213.1	136.3
Nov	127.9	173.7	187.4	180.0	188.5	140.5	173.4	147.3	158.8	216.7	135.0
Dec	134.8	175.4	188.5	176.4	189.7	144.3	173.4	145.1	160.8	215.9	137.3
1969: Jan	139.5	176.4	191.8	171.2	191.6	143.8	176.6	143.6	160.2	214.1	138.0
Feb	143.6	177.6	192.7	173.1	190.4	145.6	175.7	142.6	161.2	218.0	139.5
Mar	146.2	178.5	194.7	174.1	192.8	145.1	176.5	144.7	162.2	219.6	139.8
Apr	147.9	178.3	194.6	172.4	195.4	143.2	178.4	143.7	162.4	221.7	138.2
May	149.3	179.2	196.9	171.8	195.3	143.6	179.0	146.3	163.8	222.7	136.9
June	153.1	180.6	197.2	176.6	195.7	140.6	179.1	146.0	164.4	223.2	137.0
July	152.4	179.1	198.1	181.1	194.7	138.3	176.3	145.4	165.9	225.2	138.4
Aug	151.3	180.6	199.4	179.1	194.9	140.2	176.2	143.3	166.3	222.4	141.0
Sept	149.3	179.1	201.2	178.8	195.4	140.6	175.4	141.1	165.8	223.3	140.4
Oct	150.4	179.5	198.9	175.7	193.9	140.6	174.7	141.7	165.7	224.3	136.2
Nov	151.1	179.2	188.2	168.2	194.9	141.0	175.2	141.3	166.9	224.9	138.6
Dec p	151	180	188	164	194	141	174	142	166	224	140

Source: Board of Governors of the Federal Reserve System.

TABLE C-38.—*Manufacturing output, capacity, and utilization rate, 1948–69*

Period	Output	Capacity [1]	Utilization rate [2]		
			Total	Advanced products	Primary products
	1957–59 output=100		Percent		
1948	68.9	76.8	89.7	87.9	92.2
1949	65.1	81.1	80.2	80.3	80.0
1950	75.8	84.3	90.4	87.3	94.8
1951	81.9	87.4	94.0	91.0	98.1
1952	85.2	92.7	91.3	91.9	90.4
1953	92.7	98.4	94.2	94.1	94.4
1954	86.3	103.3	83.5	83.8	83.0
1955	97.3	108.4	90.0	87.8	93.2
1956	100.2	114.3	87.7	86.0	90.1
1957	100.8	120.7	83.6	82.3	85.3
1958	93.2	125.8	74.0	73.6	74.6
1959	106.0	130.1	81.5	81.0	82.1
1960	108.9	134.9	80.6	81.1	80.0
1961	109.6	139.6	78.5	78.9	78.1
1962	118.7	144.4	82.1	82.5	81.6
1963	124.9	149.8	83.3	83.1	83.6
1964	133.1	155.6	85.7	84.4	87.4
1965	145.0	164.0	88.5	87.6	89.7
1966	158.6	175.0	90.5	90.5	90.5
1967	159.7	186.1	85.3	85.9	84.6
1968	166.9	196.9	84.6	83.8	85.8
1969 p	173.8	207.7	83.7	81.5	86.8
	Seasonally adjusted				
1963: I	121.3	147.8	82.0	82.2	81.7
II	124.9	149.1	83.9	82.9	85.2
III	126.0	150.5	83.7	83.6	83.9
IV	127.2	151.8	83.7	83.7	83.8
1964: I	129.4	153.3	84.5	83.8	85.5
II	132.5	154.9	85.7	84.7	87.1
III	134.7	156.4	86.3	84.9	88.3
IV	135.9	158.0	86.2	84.4	88.8
1965: I	141.4	160.1	88.5	87.2	90.2
II	143.5	162.7	88.4	87.1	90.1
III	146.1	165.3	88.5	87.4	90.1
IV	148.9	167.9	88.6	88.7	88.5
1966: I	154.5	170.7	90.5	90.2	90.9
II	157.7	173.6	90.8	90.4	91.4
III	159.9	176.5	90.6	90.6	90.6
IV	161.7	179.3	90.0	90.6	89.1
1967: I	159.0	182.1	87.1	87.8	86.2
II	157.5	184.8	85.0	86.2	83.4
III	158.3	187.5	84.3	85.1	83.2
IV	161.3	190.1	84.8	84.3	85.6
1968: I	163.9	192.8	85.0	84.5	85.7
II	166.1	195.5	85.1	83.8	86.9
III	166.9	198.2	84.2	83.7	84.9
IV	169.1	200.9	84.2	83.2	85.6
1969: I p	171.7	203.6	84.5	82.7	87.0
II p	173.9	206.3	84.5	82.2	87.8
III p	175.4	208.9	84.2	82.3	86.7
IV p	172.4	212.2	81.8	79.0	85.6

[1] For description and source of data see "A Revised Index of Manufacturing Capacity" Frank de Leeuw, Frank E. Hopkins, and Michael D. Sherman "Federal Reserve Bulletin". November 1966, pp. 1605–1615. See also McGraw-Hill surveys on 'Business Plans for New Plants and Equipment" for data on capacity and operating rates.
[2] Output as percent of capacity; based on unrounded data.

Source: Board of Governors of the Federal Reserve System (output) and sources in footnote 1 (capacity and utilization rate).

TABLE C–39.—*Business expenditures for new plant and equipment, 1947–69* [1]

[Billions of dollars]

Year or quarter	Total	Manufacturing			Mining	Transportation		Public utilities	Commercial and other [2]
		Total	Durable goods	Nondurable goods		Railroad	Other		
1947	19.33	8.44	3.25	5.19	0.69	0.91	1.30	1.54	6.45
1948	21.30	9.01	3.30	5.71	.93	1.37	1.28	2.54	6.16
1949	18.98	7.12	2.45	4.68	.88	1.42	.87	3.10	5.58
1950	20.21	7.39	2.94	4.45	.84	1.18	1.19	3.24	6.36
1951	25.46	10.71	4.82	5.89	1.11	1.58	1.46	3.56	7.04
1952	26.43	11.45	5.21	6.24	1.21	1.50	1.47	3.74	7.06
1953	28.20	11.86	5.31	6.56	1.25	1.42	1.53	4.34	7.79
1954	27.19	11.24	4.91	6.33	1.28	.93	1.47	3.99	8.27
1955	29.53	11.89	5.41	6.48	1.31	1.02	1.55	4.03	9.73
1956	35.73	15.40	7.45	7.95	1.64	1.37	1.65	4.52	11.15
1957	37.94	16.51	7.84	8.68	1.69	1.58	1.71	5.67	10.79
1958	31.89	12.38	5.61	6.77	1.43	.86	1.43	5.52	10.27
1959	33.55	12.77	5.81	6.95	1.36	1.02	2.10	5.14	11.16
1960	36.75	15.09	7.23	7.85	1.30	1.16	1.97	5.24	11.99
1961	35.91	14.33	6.31	8.02	1.29	.82	1.96	5.00	12.52
1962	38.39	15.06	6.79	8.26	1.40	1.02	2.17	4.90	13.84
1963	40.77	16.22	7.53	8.70	1.27	1.26	1.98	4.98	15.06
1964	46.97	19.34	9.28	10.07	1.34	1.66	2.52	5.49	16.63
1965	54.42	23.44	11.50	11.94	1.46	1.99	2.91	6.13	18.49
1966	63.51	28.20	14.06	14.14	1.62	2.37	3.39	7.43	20.50
1967	65.47	28.51	14.06	14.45	1.65	1.86	3.77	8.74	20.94
1968	67.76	28.37	14.12	14.25	1.63	1.45	4.15	10.20	21.97
1969 p	75.30	31.74	15.99	15.74	1.87	1.83	4.20	11.56	24.10
	Seasonally adjusted annual rates								
1967: I	65.23	29.78	14.46	15.32	1.54	2.12	3.04	7.98	20.76
II	65.60	29.16	14.26	14.90	1.52	1.78	3.81	8.51	20.83
III	65.48	27.85	13.92	13.93	1.76	1.72	4.01	8.86	21.28
IV	65.66	27.51	13.71	13.80	1.78	1.82	4.20	9.46	20.90
1968: I	68.09	28.02	14.11	13.91	1.80	1.68	4.31	10.08	22.20
II	66.29	27.84	13.51	14.33	1.66	1.49	3.47	10.24	21.59
III	67.77	28.86	14.47	14.40	1.57	1.29	4.34	9.82	21.89
IV	69.05	28.70	14.39	14.31	1.52	1.34	4.62	10.63	22.24
1969: I	72.52	29.99	15.47	14.52	1.83	1.68	4.76	11.52	22.74
II	73.94	31.16	15.98	15.18	1.88	1.76	3.88	11.68	23.59
III	77.84	33.05	16.53	16.52	1.89	2.06	3.88	11.48	25.49

[1] Excludes agricultural business; real estate operators; medical, legal, educational, and cultural service; and nonprofit organizations. These figures do not agree precisely with the fixed investment data in the gross national product estimates, mainly because those data include investment by farmers, professionals, institutions, and real estate firms, and certain outlays charged to current account.

[2] Commercial and other includes trade, service, finance, insurance, communications, and construction.

Note.—Annual total is the sum of unadjusted expenditures; it does not necessarily coincide with the average of seasonally adjusted figures.

Series revised beginning 1947. Comparable data prior to 1947 are not available. A full description of the new actual expenditure series will appear in the January 1970 issue of the "Survey of Current Business" and of the revised expectations data in the February 1970 issue.

Sources: Department of Commerce (Office of Business Economics) and Securities and Exchange Commission.

TABLE C-40.—*New construction activity, 1929–69*

[Value put in place, millions of dollars]

Year or month	Total new construction	Private construction: Total	Residential building (nonfarm): Total[1]	Residential building (nonfarm): New housing units	Nonresidential building and other construction: Total	Nonresidential building and other construction: Commercial[2]	Nonresidential building and other construction: Industrial	Nonresidential building and other construction: Other[3]	Public construction: Total	Public construction: Federally owned	Public construction: State and locally owned[4]
1929	10,793	8,307	3,625	3,040	4,682	1,135	949	2,598	2,486	155	2,331
1930	8,741	5,883	2,075	1,570	3,808	893	532	2,383	2,858	209	2,649
1931	6,427	3,768	1,565	1,320	2,203	454	221	1,528	2,659	271	2,388
1932	3,538	1,676	630	485	1,046	223	74	749	1,862	333	1,529
1933	2,879	1,231	470	290	761	130	176	455	1,648	516	1,132
1934	3,720	1,509	625	380	884	173	191	520	2,211	626	1,585
1935	4,232	1,999	1,010	710	989	211	158	620	2,233	814	1,419
1936	6,497	2,981	1,565	1,210	1,416	290	266	860	3,516	797	2,719
1937	6,999	3,903	1,875	1,475	2,028	387	492	1,149	3,096	776	2,320
1938	6,980	3,560	1,990	1,620	1,570	285	232	1,053	3,420	717	2,703
1939	8,198	4,389	2,680	2,270	1,709	292	254	1,163	3,809	759	3,050
1940	8,682	5,054	2,985	2,560	2,069	348	442	1,279	3,628	1,182	2,446
1941	11,957	6,206	3,510	3,040	2,696	409	801	1,486	5,751	3,751	2,000
1942	14,075	3,415	1,715	1,440	1,700	155	346	1,199	10,660	9,313	1,347
1943	8,301	1,979	885	710	1,094	33	156	905	6,322	5,609	713
1944	5,259	2,186	815	570	1,371	56	208	1,107	3,073	2,505	568
1945	5,809	3,411	1,276	720	2,135	203	642	1,290	2,398	1,737	661
1946	12,627	10,396	4,752	3,300	5,644	1,153	1,689	2,802	2,231	865	1,366
New series[5]											
1946	14,308	12,077	6,247	4,795	5,830	1,153	1,689	2,988	2,231	865	1,366
1947	20,041	16,722	9,850	7,765	6,872	957	1,702	4,213	3,319	840	2,479
1948	26,078	21,374	13,128	10,506	8,246	1,397	1,397	5,452	4,704	1,177	3,527
1949	26,722	20,453	12,428	10,043	8,025	1,182	972	5,871	6,269	1,488	4,781
1950	33,575	26,709	18,126	15,551	8,583	1,415	1,062	6,106	6,866	1,624	5,242
1951	35,435	26,180	15,881	13,207	10,299	1,498	2,117	6,684	9,255	2,981	6,274
1952	36,828	26,049	15,803	12,851	10,246	1,137	2,320	6,789	10,779	4,185	6,594
1953	39,136	27,894	16,594	13,411	11,300	1,791	2,229	7,280	11,242	4,139	7,103
1954	41,380	29,668	18,187	14,931	11,481	2,212	2,030	7,239	11,712	3,428	8,284
1955	46,519	34,804	21,877	18,242	12,927	3,218	2,399	7,310	11,715	2,769	8,946
1956	47,601	34,869	20,178	16,143	14,691	3,631	3,084	7,976	12,732	2,726	10,006
1957	49,139	35,080	19,006	14,736	16,074	3,564	3,557	8,953	14,059	2,974	11,085
1958	50,153	34,696	19,789	15,445	14,907	3,589	2,382	8,936	15,457	3,387	12,070
1959	55,305	39,235	24,251	19,233	14,984	3,930	2,106	8,948	16,070	3,724	12,346
1960	53,941	38,078	21,706	16,410	16,372	4,180	2,851	9,341	15,863	3,622	12,241
1961	55,447	38,299	21,680	16,189	16,619	4,674	2,780	9,165	17,148	3,879	13,269
1962	59,576	41,707	24,292	18,638	17,415	4,955	2,949	9,511	17,869	3,913	13,956
1963	62,755	43,859	25,843	20,064	18,016	5,200	2,962	9,854	18,896	3,970	14,926
New series[6]											
1962	59,667	41,798	24,292	18,638	17,506	5,144	2,842	9,520	17,869	3,913	13,956
1963	63,423	44,057	26,187	20,385	17,870	4,995	2,906	9,969	19,366	4,010	15,356
1964	66,200	45,810	26,258	20,354	19,552	5,396	3,565	10,591	20,390	3,905	16,485
1965	72,319	50,253	26,268	20,351	23,985	6,739	5,118	12,128	22,066	4,018	18,048
1966	75,120	51,120	23,971	17,964	27,149	6,879	6,679	13,591	24,000	3,957	20,043
1967	76,160	50,587	23,736	17,885	26,851	6,982	6,131	13,738	25,573	3,512	22,061
1968	84,690	56,996	28,823	22,423	28,173	8,333	5,594	14,246	27,694	3,456	24,238
1969[7]	92,020	63,730	31,600	23,640	32,130	10,010	6,380	15,740	28,290	3,430	24,860

See footnotes at end of table.

TABLE C–40.—*New construction activity, 1929–69*—Continued

[Value put in place, millions of dollars]

Year or month	Total new construction	Private construction							Public construction		
		Total	Residential building (nonfarm)		Nonresidential building and other construction				Total	Federally owned	State and locally owned [4]
			Total [1]	New housing units	Total	Commercial [2]	Industrial	Other [3]			
	Seasonally adjusted annual rates										
1968: Jan	82,873	55,316	26,988	21,226	28,328	7,721	6,330	14,277	27,557	3,528	24,029
Feb	83,884	55,380	26,754	21,282	28,626	8,328	5,740	14,558	28,504	3,692	24,812
Mar	83,572	56,055	27,698	21,677	28,357	8,258	5,528	14,571	27,517	3,561	23,956
Apr	85,299	57,403	29,320	22,300	28,083	8,512	5,484	14,087	27,896	3,381	24,515
May	85,707	57,260	29,628	22,312	27,632	8,111	5,275	14,246	28,447	3,436	25,011
June	82,050	54,981	28,187	21,450	26,794	8,122	4,852	13,820	27,069	3,287	23,782
July	81,658	54,988	27,770	21,248	27,218	8,272	4,752	14,194	26,670	3,052	23,618
Aug	83,736	56,682	28,325	21,919	28,357	8,641	5,575	14,141	27,054	3,384	23,670
Sept	85,266	57,444	29,350	22,771	28,094	8,534	5,492	14,068	27,822	3,340	24,482
Oct	87,757	59,259	29,823	23,562	29,436	8,939	6,096	14,401	28,498	3,539	24,959
Nov	87,812	59,014	30,152	24,118	28,862	8,262	6,271	14,329	28,798	3,545	25,253
Dec	88,068	58,899	30,937	24,953	27,962	8,046	5,905	14,011	29,169	3,839	25,330
1969: Jan	91,972	62,875	31,084	24,972	31,791	9,971	6,800	15,020	29,097	3,551	25,546
Feb	92,066	62,550	31,436	25,472	31,114	9,941	6,318	14,855	29,516	3,463	26,053
Mar	91,722	62,762	32,423	25,458	30,339	9,751	6,019	14,569	28,960	3,530	25,430
Apr	92,696	62,962	32,930	24,995	30,032	9,066	5,857	15,109	29,734	3,784	25,950
May	92,254	63,564	32,866	24,490	30,698	9,284	5,923	15,491	28,690	3,488	25,202
June	91,539	63,197	31,805	23,887	31,392	10,020	6,050	15,322	28,342	3,574	24,768
July	91,787	64,242	31,385	23,214	32,857	10,417	6,404	16,036	27,545	3,114	24,431
Aug	91,687	64,008	30,880	22,577	33,128	10,343	6,414	16,371	27,679	3,413	24,266
Sept	93,608	65,564	31,053	22,624	34,511	11,118	6,714	16,679	28,044	3,431	24,613
Oct	93,896	65,811	31,530	23,003	34,281	10,856	6,946	16,479	28,085	3,437	24,648
Nov [p]	91,950	63,756	31,203	22,604	32,553	9,557	6,526	16,470	28,194	3,168	25,026

[1] Total includes additions and alterations and nonhousekeeping units not shown separately.
[2] Office buildings, warehouses, stores, restaurants, and garages.
[3] Farm, institutional, public utilities, and all other private.
[4] Includes Federal grants-in-aid for State and locally owned projects.
[5] New series in 1946 reflects differences due to the new higher level series of housing starts and farm construction expenditures and the reduced level value in place series for public utilities. See "Construction Report C30–61 (Supplement)" for a description of the differences.
[6] New series differs from old in that it reflects differences in 1962 due to the introduction of new series for private nonresidential buildings and differences in 1963 due to the introduction of new series for State and locally owned public construction. See "Construction Report C30–65S" for a description of the differences.
[7] Preliminary estimates by Council of Economic Advisers.

Source: Department of Commerce, Bureau of the Census, except as noted.

Table C-41.—*New housing starts and applications for financing, 1929–69*

[Thousands of units]

Year or month	Housing starts								New private housing units authorized [4]	Proposed home construction [5]	
	Private and public [1]		Private [1]								
			Total (farm and nonfarm)			Nonfarm					
	Total (farm and nonfarm)	Nonfarm	Total	Type of structure [2]		Total	Government home programs			Applications for FHA commitments [3]	Requests for VA appraisals
				One family	Two or more families		FHA [3]	VA			
1929	-------	509.0	-------	-------	-------	509.0	-------	-------	-------	-------	-----
1930	-------	330.0	-------	-------	-------	330.0	-------	-------	-------	-------	-----
1931	-------	254.0	-------	-------	-------	254.0	-------	-------	-------	-------	-----
1932	-------	134.0	-------	-------	-------	134.0	-------	-------	-------	-------	-----
1933	-------	93.0	-------	-------	-------	93.0	-------	-------	-------	-------	-----
1934	-------	126.0	-------	-------	-------	126.0	-------	-------	-------	-------	-----
1935	-------	221.0	-------	-------	-------	215.7	13.2	-------	-------	[6] 20.6	-----
1936	-------	319.0	-------	-------	-------	304.2	48.8	-------	-------	47.8	-----
1937	-------	336.0	-------	-------	-------	332.4	57.0	-------	-------	49.8	-----
1938	-------	406.0	-------	-------	-------	399.3	106.8	-------	-------	131.1	-----
1939	-------	515.0	-------	-------	-------	458.4	144.7	-------	-------	179.8	-----
1940	-------	602.6	-------	-------	-------	529.6	176.6	-------	-------	231.2	-----
1941	-------	706.1	-------	-------	-------	619.5	217.1	-------	-------	288.5	-----
1942	-------	356.0	-------	-------	-------	301.2	160.2	-------	-------	238.5	-----
1943	-------	191.0	-------	-------	-------	183.7	126.1	-------	-------	144.4	-----
1944	-------	141.8	-------	-------	-------	138.7	83.6	-------	-------	62.9	-----
New series											
1945	-------	326.1	-------	-------	-------	324.9	38.9	[7] 8.8	-------	56.6	-----
1946	-------	1,023.2	-------	-------	-------	1,015.2	67.1	91.8	-------	121.7	-----
1947	-------	1,268.5	-------	-------	-------	1,265.1	178.3	160.3	-------	286.4	-----
1948	-------	1,362.1	-------	-------	-------	1,344.0	216.4	71.1	-------	293.2	-----
1949	-------	1,466.1	-------	-------	-------	1,429.8	252.6	90.8	-------	327.0	-----
1950	-------	1,951.9	-------	-------	-------	1,908.1	328.2	191.2	-------	397.7	-----
1951	-------	1,491.0	-------	-------	-------	1,419.8	186.9	148.6	-------	192.8	164.4
1952	-------	1,503.9	-------	-------	-------	1,445.4	229.1	141.3	-------	267.9	226.3
1953	-------	1,437.6	-------	-------	-------	1,402.1	216.5	156.5	-------	253.7	251.4
1954	-------	1,550.5	-------	-------	-------	1,531.8	250.9	307.0	-------	338.6	535.4
1955	-------	1,646.0	-------	-------	-------	1,626.6	268.7	392.9	-------	306.2	620.8
1956	-------	1,349.1	-------	-------	-------	1,324.9	183.4	270.7	-------	197.7	401.5
1957	-------	1,223.9	-------	-------	-------	1,174.8	150.1	128.3	-------	198.8	159.4
1958	-------	1,382.0	-------	-------	-------	1,314.2	270.3	102.1	-------	341.7	234.2
1959	1,553.5	1,531.3	1,516.8	1,234.1	282.7	1,494.6	307.0	109.3	1,208.3	369.7	234.0
1960	1,296.0	1,274.0	1,252.1	994.7	257.4	1,230.1	225.7	74.6	998.0	242.4	142.9
1961	1,365.0	1,336.8	1,313.0	974.4	338.6	1,284.8	198.8	83.3	1,064.2	243.8	177.8
1962	1,492.4	1,468.7	1,462.7	991.3	471.4	1,439.0	197.3	77.8	1,186.6	221.1	171.2
1963	1,642.0	1,614.8	1,610.3	1,020.7	589.6	1,582.9	166.2	71.0	1,334.7	190.2	139.3
1964	1,561.6	1,534.7	1,529.3	971.5	557.8	1,502.3	154.0	59.2	1,285.8	182.1	113.6
1965	1,509.6	1,487.5	1,472.9	963.8	509.1	1,450.6	159.9	49.4	1,239.8	188.9	102.1
1966	1,196.2	1,172.8	1,165.0	778.5	386.5	1,141.5	129.1	36.8	971.9	153.0	99.2
1967	1,321.9	1,298.8	1,291.6	843.9	447.7	1,268.4	141.9	52.5	1,141.0	167.2	124.3
1968	1,547.7	1,523.6	1,507.7	899.5	608.2	1,483.6	147.7	56.1	1,341.4	168.9	131.7
1969 [p]	1,496.6	1,479.0	1,463.2	809.3	653.8	1,445.5	153.6	51.2	1,296.2	187.6	138.2
	Monthly totals, unadjusted										
1968: Jan	82.7	82.0	80.5	45.2	35.3	79.8	9.7	3.4	73.4	11.2	8.4
Feb	87.2	85.3	84.6	55.4	29.2	82.8	10.6	4.1	88.8	12.4	10.6
Mar	128.6	126.0	126.6	79.3	47.3	123.9	12.0	4.5	115.5	15.9	11.6
Apr	165.2	162.2	162.0	98.0	64.0	159.1	14.3	5.4	132.4	14.7	12.4
May	145.1	143.3	140.9	86.8	54.1	139.0	13.8	5.5	130.5	15.7	11.0
June	142.9	141.1	137.9	81.4	56.5	136.0	12.3	5.0	113.9	13.7	10.4
July	142.5	140.0	139.8	86.4	53.4	137.3	12.9	4.9	118.0	13.2	12.5
Aug	141.0	138.9	136.6	82.5	54.1	134.5	13.6	4.8	113.7	15.1	11.5
Sept	139.8	138.0	134.3	80.2	54.1	132.4	12.2	4.6	116.3	14.0	10.4
Oct	143.3	140.6	140.8	85.6	55.2	138.1	14.5	5.3	127.6	17.1	12.7
Nov	129.5	127.5	127.1	64.8	62.3	125.1	11.4	4.2	104.3	13.6	11.4
Dec	99.8	98.9	96.4	53.8	42.6	95.5	10.5	4.4	95.9	12.3	9.0

See footnotes at end of table.

TABLE C-41.—*New housing starts and applications for financing, 1929–69*—Continued

[Thousands of units]

Year or month	Housing starts: Private and public[1]: Total (farm and nonfarm)	Housing starts: Private and public[1]: Nonfarm	Housing starts: Private[1]: Total (farm and nonfarm): Total	Housing starts: Private[1]: Total (farm and nonfarm): Type of structure[2]: One family	Housing starts: Private[1]: Total (farm and nonfarm): Type of structure[2]: Two or more families	Housing starts: Private[1]: Nonfarm: Total	Housing starts: Private[1]: Nonfarm: Government home programs: FHA[3]	Housing starts: Private[1]: Nonfarm: Government home programs: VA	New private housing units authorized[4]	Proposed home construction[5]: Applications for FHA commitments[3]	Proposed home construction[5]: Requests for VA appraisals
	Monthly totals, unadjusted										
1969: Jan	105.8	104.5	101.5	51.3	50.2	100.2	8.8	3.8	92.7	12.5	10.1
Feb	94.8	93.9	90.1	47.9	42.2	89.2	9.2	3.5	94.6	13.9	9.9
Mar	135.6	134.4	131.9	71.9	60.0	130.6	12.7	3.9	119.4	16.1	12.2
Apr	159.9	158.3	159.0	85.0	74.0	157.4	16.0	4.4	146.4	16.9	12.2
May	157.7	156.1	155.5	91.3	64.2	154.0	13.4	4.3	126.2	15.5	11.5
June	150.8	148.3	147.3	82.7	64.6	144.8	13.9	4.6	123.2	16.2	11.4
July	126.5	124.3	125.2	73.5	51.7	122.9	13.1	4.7	111.8	15.3	13.6
Aug	127.6	126.2	124.9	69.5	55.4	123.5	12.6	4.2	104.0	14.6	13.0
Sept	132.9	131.2	129.3	71.5	57.9	127.6	13.1	4.8	104.7	16.8	11.1
Oct	125.8	124.5	123.4	68.0	55.3	122.1	15.1	5.0	109.1	20.0	11.4
Nov p	97.4	95.9	94.6	54.4	40.2	93.1	12.2	3.9	82.9	14.8	11.5
Dec p	81.8	81.5	80.5	42.2	38.3	80.2	13.4	4.2	81.0	15.2	10.1
			Seasonally adjusted annual rates								
1968: Jan	--------	--------	1,456	912	544	1,430	157	52	1,148	163	122
Feb	--------	--------	1,537	1,075	462	1,499	164	63	1,394	152	141
Mar	--------	--------	1,511	920	591	1,479	149	63	1,416	160	127
Apr	--------	--------	1,591	922	669	1,562	147	59	1,340	144	126
May	--------	--------	1,364	838	526	1,345	133	57	1,280	161	110
June	--------	--------	1,365	790	575	1,348	137	54	1,281	157	120
July	--------	--------	1,531	904	627	1,507	134	49	1,289	146	135
Aug	--------	--------	1,518	867	651	1,496	144	51	1,290	167	127
Sept	--------	--------	1,592	944	648	1,570	145	54	1,393	169	125
Oct	--------	--------	1,570	965	605	1,541	153	55	1,378	199	147
Nov	--------	--------	1,733	905	828	1,705	158	53	1,425	212	172
Dec	--------	--------	1,507	922	585	1,492	158	65	1,463	187	136
1969: Jan	--------	--------	1,878	1,066	812	1,845	137	57	1,403	179	148
Feb	--------	--------	1,686	975	711	1,664	138	52	1,477	169	132
Mar	--------	--------	1,584	828	756	1,567	157	53	1,421	161	136
Apr	--------	--------	1,563	797	766	1,548	166	48	1,502	166	124
May	--------	--------	1,509	883	626	1,495	134	47	1,323	168	122
June	--------	--------	1,469	808	661	1,446	147	48	1,340	175	126
July	--------	--------	1,371	765	606	1,349	137	46	1,228	175	145
Aug	--------	--------	1,384	723	661	1,370	143	47	1,245	170	151
Sept	--------	--------	1,542	846	696	1,522	152	54	1,201	193	127
Oct	--------	--------	1,392	777	615	1,379	163	52	1,183	231	130
Nov p	--------	--------	1,297	783	514	1,277	179	53	1,191	239	184
Dec p	--------	--------	1,245	718	527	1,240	193	59	1,177	209	147

[1] Military housing starts, including those financed with mortgages insured by FHA under Section 803 of the National Housing Act, are included in publicly financed starts but excluded from total private starts and from FHA starts.
[2] Not available prior to 1959 except for nonfarm for 1929–44.
[3] Units are for 1- to 4- family housing.
[4] Data beginning 1967 cover approximately 13,000 permit-issuing places. Data for 1963–66 are based on 12,000 places and 1959–62, 10,000 places. The addition of approximately 1,000 permit-issuing places in 1967 contributed an increase of 3 percent in total permit authorizations.
[5] Units in mortgage applications or appraisal requests for new home construction.
[6] FHA program approved in June 1934: all 1934 activity included in 1935.
[7] Monthly estimates for September 1945–May 1950 were prepared by Housing and Home Finance Agency.

Sources: Department of Commerce (Bureau of the Census), Department of Housing and Urban Development, Federal Housing Administration (FHA), and Veterans Administration (VA), except as noted.

TABLE C-42.—*Sales and inventories in manufacturing and trade, 1947–69*

[Amounts in millions of dollars]

Year or month	Total manufacturing and trade			Manufacturing			Merchant wholesalers			Retail trade		
	Sales [1]	Inventories [2]	Ratio [3]	Sales [1]	Inventories [2]	Ratio [3]	Sales [1]	Inventories [2]	Ratio [3]	Sales [1]	Inventories [2]	Ratio [3]
1947	------	------	------	15,513	25,897	1.58	------	------	------	10,200	14,241	1.26
1948	35,260	52,507	1.42	17,316	28,543	1.57	6,808	7,957	1.13	11,135	16,007	1.39
1949	33,788	49,497	1.53	16,126	26,321	1.75	6,514	7,706	1.19	11,149	15,470	1.41
1950	38,596	59,822	1.36	18,634	31,078	1.48	7,695	9,284	1.07	12,268	19,460	1.38
1951	43,356	70,242	1.55	21,714	39,306	1.66	8,597	9,886	1.16	13,046	21,050	1.64
1952	44,840	72,377	1.58	22,529	41,136	1.78	8,782	10,210	1.12	13,529	21,031	1.52
1953	47,987	76,122	1.58	24,843	43,948	1.76	9,052	10,686	1.17	14,091	21,488	1.53
1954	46,443	73,175	1.60	23,355	41,612	1.81	8,993	10,637	1.18	14,095	20,926	1.51
1955	51,694	79,516	1.47	26,480	45,069	1.62	9,893	11,678	1.13	15,321	22,769	1.43
1956	54,063	87,304	1.55	27,740	50,642	1.73	10,513	13,260	1.19	15,811	23,402	1.47
1957	55,879	89,052	1.59	28,736	51,871	1.80	10,475	12,730	1.23	16,667	24,451	1.44
1958	54,233	86,922	1.60	27,280	50,070	1.84	10,257	12,739	1.24	16,696	24,113	1.43
1959	59,661	91,891	1.50	30,219	52,707	1.70	11,491	13,879	1.15	17,951	25,305	1.40
1960	60,746	94,747	1.56	30,796	53,814	1.76	11,656	14,120	1.22	18,294	26,813	1.45
1961 [4]	61,133	95,728	1.54	30,896	54,943	1.74	11,988	14,488	1.20	18,249	26,297	1.44
1962	65,417	101,149	1.51	33,113	58,212	1.72	12,674	14,936	1.16	19,630	28,001	1.38
1963	68,969	105,525	1.49	35,032	60,027	1.69	13,382	16,048	1.15	20,556	29,450	1.39
1964	73,685	111,548	1.47	37,335	63,370	1.64	14,527	16,977	1.13	21,823	31,201	1.40
1965	80,276	121,140	1.45	41,003	68,179	1.60	15,595	18,274	1.14	23,677	34,687	1.40
1966	87,184	137,184	1.48	44,876	78,125	1.62	16,979	20,691	1.14	25,330	38,368	1.44
1967	88,962	143,694	1.58	45,712	82,819	1.77	17,099	21,557	1.21	26,151	39,318	1.47
1968	96,915	153,764	1.53	50,310	88,579	1.70	18,329	22,528	1.20	28,277	42,657	1.44
1969 [5]	103,896	164,992	1.54	54,780	95,416	1.68	19,776	24,039	1.18	29,340	45,537	1.49
	Seasonally adjusted											
1968: Jan	93,184	144,029	1.55	48,447	82,890	1.71	17,694	21,564	1.22	27,043	39,575	1.46
Feb	93,758	144,738	1.54	48,356	83,408	1.72	17,953	21,542	1.20	27,449	39,788	1.45
Mar	94,463	145,082	1.54	48,446	83,759	1.73	18,021	21,547	1.20	27,996	39,776	1.42
Apr	94,552	146,405	1.55	48,755	84,382	1.73	18,006	21,781	1.21	27,791	40,242	1.45
May	96,069	147,727	1.54	50,014	85,278	1.71	17,897	21,843	1.22	28,158	40,606	1.44
June	97,423	148,436	1.52	50,729	85,582	1.69	18,374	22,012	1.20	28,320	40,842	1.44
July	98,368	148,972	1.51	51,425	85,829	1.67	18,269	22,078	1.21	28,674	41,065	1.43
Aug	97,083	149,825	1.54	49,825	86,713	1.74	18,498	22,102	1.19	28,760	41,010	1.43
Sept	98,549	150,652	1.53	51,441	87,109	1.69	18,792	22,119	1.18	28,316	41,424	1.46
Oct	99,675	152,017	1.53	52,560	87,566	1.67	18,418	22,231	1.21	28,697	42,220	1.47
Nov	100,142	152,830	1.53	52,548	87,947	1.67	18,788	22,395	1.19	28,806	42,488	1.47
Dec	98,671	153,764	1.56	51,494	88,579	1.72	18,830	22,528	1.20	28,347	42,657	1.50
1969: Jan	100,137	154,086	1.54	52,801	88,905	1.68	18,347	22,441	1.22	28,989	42,740	1.47
Feb	101,390	155,339	1.53	53,302	89,556	1.68	18,799	22,769	1.21	29,289	43,014	1.47
Mar	101,510	156,401	1.54	53,078	90,317	1.70	19,516	23,080	1.18	28,916	43,004	1.49
Apr	102,352	157,477	1.54	53,298	91,018	1.71	19,612	23,341	1.19	29,442	43,118	1.46
May	103,232	158,602	1.54	53,741	92,139	1.71	20,105	23,438	1.17	29,386	43,025	1.46
June	104,127	159,264	1.53	54,786	92,215	1.68	19,970	23,611	1.18	29,371	43,438	1.48
July	104,201	160,631	1.54	55,392	93,166	1.68	19,719	23,591	1.20	29,090	43,874	1.51
Aug	104,644	161,659	1.54	55,239	93,728	1.70	20,059	23,609	1.18	29,346	44,322	1.51
Sept	105,903	162,733	1.54	56,434	94,211	1.67	20,210	23,716	1.17	29,259	44,806	1.53
Oct	106,907	164,250	1.54	56,999	94,916	1.67	20,288	23,956	1.18	29,620	45,378	1.53
Nov p	106,036	164,992	1.56	56,143	95,416	1.70	20,345	24,039	1.18	29,548	45,537	1.54
Dec p	------	------	------	------	------	------	------	------	------	29,581	------	------

[1] Monthly average for year and total for month.
[2] Seasonally adjusted, end of period.
[3] Inventory/sales ratio. For annual periods, ratio of weighted average inventories to average monthly sales; for monthly data, ratio of inventories at end of month to sales for month.
[4] Manufacturing sales prior to 1961 not completely comparable with later data. See Department of Commerce, Bureau of the Census, "Series M3-1.1," page 9, September 1968.
[5] Where December data not available, data for year calculated on basis of no change from November.

Note.—The inventory figures in this table do not agree with the estimates of change in business inventories included in the gross national product since these figures cover only manufacturing and trade rather than all business, and show inventories in terms of current book value without adjustment for revaluation.

Source: Department of Commerce (Office of Business Economics and Bureau of the Census).

TABLE C-43.—*Manufacturers' shipments and inventories, 1947–69*

[Millions of dollars]

Year or month	Shipments[1]			Inventories[2]								
					Durable goods industries				Nondurable goods industries			
	Total	Durable goods industries	Nondurable goods industries	Total	Total	Materials and supplies	Work in process	Finished goods	Total	Materials and supplies	Work in process	Finished goods
1947	15,513	6,694	8,819	25,897	13,061	------	------	------	12,836	------	------	------
1948	17,316	7,579	9,738	28,543	14,662	------	------	------	13,881	------	------	------
1949	16,126	7,191	8,935	26,321	13,060	------	------	------	13,261	------	------	------
1950	18,634	8,845	9,789	31,078	15,539	------	------	------	15,539	------	------	------
1951	21,714	10,493	11,221	39,306	20,991	------	------	------	18,315	------	------	------
1952	22,529	11,313	11,216	41,136	23,731	------	------	------	17,405	------	------	------
1953	24,843	13,349	11,494	43,948	25,878	8,966	10,720	6,206	18,070	8,317	2,472	7,409
1954	23,355	11,828	11,527	41,612	23,710	7,894	9,721	6,040	17,902	8,167	2,440	7,415
1955	26,480	14,071	12,409	45,069	26,405	9,194	10,756	6,348	18,664	8,556	2,571	7,666
1956	27,740	14,715	13,025	50,642	30,447	10,417	12,317	7,565	20,195	8,971	2,721	8,622
1957	28,736	15,237	13,499	51,871	31,728	10,608	12,837	8,125	20,143	8,775	2,864	8,624
1958	27,280	13,572	13,708	50,070	30,095	9,847	12,294	7,749	19,975	8,671	2,800	8,498
1959	30,219	15,544	14,675	52,707	31,839	10,585	12,952	8,143	20,868	9,089	2,928	8,857
1960	30,796	15,817	14,979	53,814	32,360	10,286	12,780	9,190	21,454	9,113	2,935	9,353
1961[3]	30,896	15,544	15,352	54,943	32,518	10,241	13,221	9,056	22,425	9,463	3,192	9,770
1962	33,113	17,103	16,010	58,212	34,609	10,803	14,210	9,596	23,603	9,837	3,303	10,463
1963	35,032	18,247	16,786	60,027	35,807	10,997	15,000	9,810	24,220	9,999	3,412	10,809
1964	37,335	19,634	17,701	63,370	38,433	11,928	16,254	10,251	24,937	10,179	3,519	11,239
1965	41,003	22,216	18,788	68,179	42,204	13,285	18,144	10,775	25,975	10,478	3,823	11,674
1966	44,876	24,635	20,240	78,125	49,797	15,484	21,976	12,337	28,328	11,266	4,255	12,807
1967	45,712	24,973	20,739	82,819	53,540	15,592	24,675	13,273	29,279	11,247	4,496	13,536
1968	50,310	27,579	22,731	88,579	57,422	16,637	26,357	14,428	31,157	11,598	4,855	14,704
1969[4]	54,780	30,452	24,328	95,416	63,076	17,194	29,660	16,222	32,340	11,963	5,058	15,319
	Seasonally adjusted											
1968: Jan	48,447	26,925	21,522	82,890	53,525	15,489	24,641	13,395	29,365	11,306	4,482	13,577
Feb	48,356	26,711	21,645	83,408	54,009	15,648	24,926	13,435	29,399	11,249	4,497	13,653
Mar	48,446	26,844	21,602	83,759	54,295	15,840	25,078	13,377	29,464	11,128	4,508	13,829
Apr	48,755	26,888	21,867	84,382	54,724	16,071	25,214	13,439	29,658	11,228	4,522	13,909
May	50,014	27,509	22,505	85,278	55,234	16,379	25,392	13,463	30,044	11,312	4,604	14,128
June	50,729	27,633	23,096	85,582	55,442	16,498	25,490	13,454	30,140	11,333	4,619	14,188
July	51,425	28,211	23,214	85,829	55,461	16,753	25,237	13,471	30,368	11,366	4,682	14,320
Aug	49,825	26,837	22,988	86,713	56,069	16,781	25,544	13,744	30,644	11,508	4,729	14,407
Sept	51,441	27,985	23,456	87,109	56,458	16,704	25,772	13,982	30,651	11,511	4,679	14,461
Oct	52,560	28,960	23,600	87,566	56,657	16,763	25,825	14,069	30,909	11,609	4,724	14,576
Nov	52,548	28,786	23,762	87,947	56,953	16,676	26,085	14,192	30,994	11,512	4,752	14,730
Dec	51,494	27,742	23,752	88,579	57,422	16,637	26,357	14,428	31,157	11,598	4,855	14,704
1969: Jan	52,801	29,325	23,476	88,905	57,879	16,706	26,631	14,542	31,026	11,497	4,991	14,538
Feb	53,302	29,914	23,388	89,556	58,282	16,613	26,961	14,708	31,274	11,554	5,014	14,706
Mar	53,078	29,530	23,548	90,317	58,978	16,980	27,264	14,734	31,339	11,519	4,943	14,877
Apr	53,298	29,643	23,655	91,018	59,426	16,935	27,463	15,028	31,592	11,672	4,970	14,950
May	53,741	29,573	24,168	92,139	60,222	17,055	27,872	15,295	31,917	11,783	5,016	15,118
June	54,786	30,136	24,650	92,215	60,479	17,045	28,072	15,362	31,736	11,704	4,946	15,086
July	55,392	30,605	24,787	93,166	61,441	17,159	28,714	15,568	31,725	11,684	4,945	15,096
Aug	55,239	30,868	24,371	93,728	61,724	17,011	28,977	15,736	32,004	11,790	4,988	15,226
Sept	56,434	31,742	24,692	94,211	62,036	17,023	29,224	15,789	32,175	11,837	5,028	15,310
Oct p	56,999	31,889	25,110	94,916	62,631	17,104	29,494	16,033	32,285	12,048	5,062	15,175
Nov p	56,143	31,099	25,044	95,416	63,076	17,194	29,660	16,222	32,340	11,963	5,058	15,319

[1] Monthly average for year and total for month.
[2] Book value, seasonally adjusted, end of period.
[3] Data prior to 1961 not completely comparable with later data. See Department of Commerce, Bureau of the Census, "Series M3-1.1," page 9, September 1968.
[4] Where December data not available, data for year calculated on basis of no change from November.

Source: Department of Commerce, Bureau of the Census.

TABLE C-44.—*Manufacturers' new and unfilled orders, 1947–69*

[Amounts in millions of dollars]

Year or month	New orders [1]				Unfilled orders [2]			Unfilled orders-shipments ratio [3]		
	Total	Durable goods industries		Nondurable goods industries	Total	Durable goods industries	Nondurable goods industries	Total	Durable goods industries	Nondurable goods industries
		Total	Machinery and equipment							
1947	15,256	6,388		8,868	34,415	28,532	5,883			
1948	17,692	8,126		9,566	30,717	26,601	4,116			
1949	15,614	6,633		8,981	24,506	20,018	4,488			
1950	20,110	10,165		9,945	43,055	36,838	6,217			
1951	23,907	12,841		11,066	69,785	65,835	3,950			
1952	23,203	12,061		11,142	75,649	72,480	3,169			
1953	23,533	12,105	2,084	11,428	61,178	58,637	2,541			
1954	22,313	10,743	1,770	11,570	48,266	45,250	3,016	3.42	4.12	0.96
1955	27,423	14,954	2,499	12,469	60,004	56,241	3,763	3.63	4.27	1.12
1956	28,383	15,381	2,870	13,002	67,375	63,880	3,495	3.87	4.55	1.04
1957	27,514	14,073	2,566	13,441	53,183	50,352	2,831	3.35	4.00	.85
1958	26,901	13,170	2,354	13,731	48,882	45,739	3,143	2.60	3.49	.55
1959	30,679	15,951	2,878	14,728	54,494	50,654	3,840	2.85	3.44	.88
1960	30,115	15,223	2,791	14,892	46,133	43,401	2,732	2.58	3.21	.63
1961 [4]	31,085	15,698	2,854	15,387	48,485	45,336	3,149	2.52	3.02	.75
1962	33,005	17,026	3,090	15,979	47,351	44,531	2,820	2.46	2.96	.68
1963	35,322	18,522	3,412	16,800	50,960	47,980	2,980	2.41	2.89	.65
1964	37,952	20,258	3,935	17,694	58,536	55,652	2,884	2.50	2.99	.59
1965	41,803	22,986	4,435	18,817	68,208	64,980	3,228	2.63	3.13	.62
1966	45,938	25,710	5,268	20,228	81,072	77,987	3,085	2.92	3.50	.56
1967	45,928	25,189	5,250	20,739	83,686	80,578	3,108	2.83	3.39	.53
1968	50,597	27,868	5,804	22,728	87,152	84,071	3,081	2.78	3.38	.48
1969 [5]	54,956	30,630	6,402	24,327	89,288	86,235	3,053			
	Seasonally adjusted									
1968: Jan	48,353	26,837	5,466	21,516	83,592	80,490	3,102	2.80	3.37	0.52
Feb	48,453	26,814	5,380	21,639	83,689	80,593	3,096	2.79	3.36	.52
Mar	49,566	28,005	5,382	21,561	84,809	81,754	3,055	2.82	3.39	.52
Apr	49,237	27,373	5,492	21,864	85,291	82,239	3,052	2.83	3.41	.50
May	49,650	27,172	5,447	22,478	84,927	81,902	3,025	2.78	3.36	.49
June	49,850	26,701	5,968	23,149	84,048	80,970	3,078	2.72	3.28	.50
July	50,181	26,925	5,714	23,256	82,806	79,684	3,122	2.64	3.17	.50
Aug	50,201	27,329	6,027	22,872	83,184	80,177	3,007	2.79	3.38	.50
Sept	51,877	28,381	5,916	23,496	83,617	80,572	3,045	2.67	3.24	.48
Oct	53,931	30,280	6,550	23,651	84,991	81,894	3,097	2.64	3.19	.48
Nov	53,100	29,325	6,089	23,775	85,539	82,429	3,110	2.67	3.22	.48
Dec	53,101	29,380	6,237	23,721	87,152	84,071	3,081	2.78	3.38	.48
1969: Jan	53,119	29,684	6,204	23,435	87,469	84,431	3,038	2.68	3.22	.47
Feb	53,901	30,482	6,511	23,419	88,064	84,994	3,070	2.65	3.18	.47
Mar	53,283	29,697	6,414	23,586	88,267	85,159	3,108	2.67	3.21	.48
Apr	54,635	30,944	7,099	23,691	89,603	86,461	3,142	2.69	3.24	.48
May	54,133	29,998	6,428	24,135	89,986	86,878	3,108	2.70	3.26	.47
June	53,861	29,171	6,528	24,690	89,058	85,910	3,148	2.64	3.17	.47
July	55,793	31,069	6,346	24,724	89,456	86,369	3,087	2.64	3.20	.45
Aug	54,799	30,482	6,245	24,317	89,014	85,984	3,030	2.62	3.15	.45
Sept	56,829	32,135	7,352	24,694	89,411	86,377	3,034	2.57	3.07	.45
Oct	56,917	31,795	6,450	25,122	89,333	86,288	3,045	2.52	3.03	.44
Nov p	56,103	31,049	6,402	25,054	89,288	86,235	3,053	2.55	3.07	.45

[1] Monthly average for year and total for month.
[2] Seasonally adjusted, end of period.
[3] Ratio of unfilled orders at end of period to shipments for period. Annual figures relate to seasonally adjusted data for December.
[4] Data prior to 1961 not completely comparable with later data. Comparable data for new orders (total, durable, and nondurable) are available for 1958, 1959, and 1960 only. See Department of Commerce, Bureau of the Census, "Series M3-1.1," page 9, September 1968, for these data.
[5] Where December data not available, data for year calculated on basis of no change from November.

Source: Department of Commerce, Bureau of the Census.

TABLE C-45.—*Consumer price indexes, by major groups, 1929–69*

For city wage earners and clerical workers

[1957-59=100]

Year or month	All items	Food	Housing		Apparel and upkeep	Transportation	Medical care	Personal care	Reading and recreation	Other goods and services
			Total	Rent						
1929	59.7	55.6		85.4	55.3					
1930	58.2	52.9		83.1	54.1					
1931	53.0	43.6		78.7	49.2					
1932	47.6	36.3		70.6	43.6					
1933	45.1	35.3		60.8	42.1					
1934	46.6	39.3		57.0	46.1					
1935	47.8	42.1	56.3	56.9	46.5	49.4	49.4	42.6	50.2	52.7
1936	48.3	42.5	57.1	58.3	46.9	49.8	49.6	43.2	51.0	52.6
1937	50.0	44.2	59.1	60.9	49.3	50.6	50.0	45.7	52.5	54.0
1938	49.1	41.0	60.1	62.9	49.0	51.0	50.2	46.7	54.3	54.5
1939	48.4	39.9	59.7	63.0	48.3	49.8	50.2	46.5	54.4	55.4
1940	48.8	40.5	59.9	63.2	48.8	49.5	50.3	46.4	55.4	57.1
1941	51.3	44.2	61.4	64.3	51.1	51.2	50.6	47.6	57.3	58.2
1942	56.8	51.9	64.2	65.7	59.6	55.7	52.0	52.2	60.0	59.9
1943	60.3	57.9	64.9	65.7	62.2	55.5	54.5	57.6	65.0	63.0
1944	61.3	57.1	66.4	65.9	66.7	55.5	56.2	61.7	72.0	64.7
1945	62.7	58.4	67.5	66.1	70.1	55.4	57.5	63.6	75.0	67.3
1946	68.0	66.9	69.3	66.5	76.9	58.3	60.7	68.2	77.5	69.5
1947	77.8	81.3	74.5	68.7	89.2	64.3	65.7	76.2	82.5	75.4
1948	83.8	88.2	79.8	73.2	95.0	71.6	69.8	79.1	86.7	78.9
1949	83.0	84.7	81.0	76.4	91.3	77.0	72.0	78.9	89.9	81.2
1950	83.8	85.8	83.2	79.1	90.1	79.0	73.4	78.9	89.3	82.6
1951	90.5	95.4	88.2	82.3	98.2	84.0	76.9	86.3	92.0	86.1
1952	92.5	97.1	89.9	85.7	97.2	89.6	81.1	87.3	92.4	90.6
1953	93.2	95.6	92.3	90.3	96.5	92.1	83.9	88.1	93.3	92.8
1954	93.6	95.4	93.4	93.5	96.3	90.8	86.6	88.5	92.4	94.3
1955	93.3	94.0	94.1	94.8	95.9	89.7	88.6	90.0	92.1	94.3
1956	94.7	94.7	95.5	96.5	97.8	91.3	91.8	93.7	93.4	95.8
1957	98.0	97.8	98.5	98.3	99.5	96.5	95.5	97.1	96.9	98.5
1958	100.7	101.9	100.2	100.1	99.8	99.7	100.1	100.4	100.8	99.8
1959	101.5	100.3	101.3	101.6	100.6	103.8	104.4	102.4	102.4	101.8
1960	103.1	101.4	103.1	103.1	102.2	103.8	108.1	104.1	104.9	103.8
1961	104.2	102.6	103.9	104.4	103.0	105.0	111.3	104.6	107.2	104.6
1962	105.4	103.6	104.8	105.7	103.6	107.2	114.2	106.5	109.6	105.3
1963	106.7	105.1	106.0	106.8	104.8	107.8	117.0	107.9	111.5	107.1
1964	108.1	106.4	107.2	107.8	105.7	109.3	119.4	109.2	114.1	108.8
1965	109.9	108.8	108.5	108.9	106.8	111.1	122.3	109.9	115.2	111.4
1966	113.1	114.2	111.1	110.4	109.6	112.7	127.7	112.2	117.1	114.9
1967	116.3	115.2	114.3	112.4	114.0	115.9	136.7	115.5	120.1	118.2
1968	121.2	119.3	119.1	115.1	120.1	119.6	145.0	120.3	125.7	123.6
1969	127.7	125.5	126.7	118.8	127.1	124.2	155.0	126.2	130.5	129.0
1968: Jan	118.6	117.0	116.4	113.7	115.9	118.7	141.2	117.6	122.7	121.9
Feb	119.0	117.4	116.9	113.9	116.6	118.6	141.9	117.6	123.0	122.1
Mar	119.5	117.9	117.2	114.2	117.6	119.0	142.9	118.4	124.2	122.4
Apr	119.9	118.3	117.5	114.4	118.4	119.0	143.5	119.0	124.9	122.5
May	120.3	118.8	117.8	114.6	119.5	119.1	144.0	119.6	125.3	122.6
June	120.9	119.1	118.7	114.9	119.9	119.7	144.4	120.1	125.6	123.5
July	121.5	120.0	119.5	115.1	119.7	119.8	145.1	120.4	125.9	123.9
Aug	121.9	120.5	120.1	115.4	120.3	120.0	145.5	120.9	126.3	124.2
Sept	122.2	120.4	120.4	115.7	122.2	119.5	146.4	121.5	126.7	124.4
Oct	122.9	120.9	120.9	116.0	123.3	120.6	147.4	122.1	127.5	125.1
Nov	123.4	120.5	121.7	116.3	124.0	121.2	148.2	122.8	128.0	125.4
Dec	123.7	121.2	122.3	116.7	124.3	120.2	149.1	123.4	128.2	125.6
1969: Jan	124.1	122.0	122.7	116.9	123.4	120.7	150.2	123.7	128.4	125.6
Feb	124.6	121.9	123.3	117.2	123.9	122.0	151.3	124.1	128.4	125.8
Mar	125.6	122.4	124.4	117.5	124.9	124.3	152.5	124.8	128.7	126.1
Apr	126.4	123.2	125.3	117.8	125.6	124.6	153.6	125.5	129.6	126.6
May	126.8	123.7	125.8	118.1	126.6	124.0	154.5	125.8	130.2	126.9
June	127.6	125.5	126.3	118.5	127.0	124.6	155.2	126.2	130.4	127.9
July	128.2	126.7	127.0	118.8	126.8	124.3	155.9	126.6	130.7	129.1
Aug	128.7	127.4	127.8	119.3	126.6	124.2	156.8	126.8	131.2	130.1
Sept	129.3	127.5	128.6	119.7	128.7	123.6	157.6	127.3	131.6	131.3
Oct	129.8	127.2	129.2	120.1	129.8	125.7	156.9	127.3	132.0	132.2
Nov	130.5	128.1	129.8	120.5	130.7	125.6	157.4	127.8	132.3	133.1
Dec	131.3	129.9	130.5	121.0	130.8	126.4	158.1	128.1	132.7	133.5

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C–46.—*Consumer price indexes, by special groups, 1935–69*

For city wage earners and clerical workers

[1957–59=100]

Year or month	All items	All items less food	All items less shelter	Commodities: All commodities	Commodities: Food	Commodities less food: All	Commodities less food: Durable	Commodities less food: Nondurable	Commodities: Total nondurable	Services: All services	Services: Rent	Services: All services less rent
1935	47.8	52.5	46.1	45.0	42.1	50.2	47.1	48.8	44.5	52.2	56.9	49.3
1936	48.3	53.0	46.7	45.6	42.5	50.8	47.8	49.2	45.1	52.8	58.3	49.0
1937	50.0	54.9	48.2	47.4	44.2	53.0	50.8	51.2	46.8	54.4	60.9	49.5
1938	49.1	55.5	46.8	45.6	41.0	53.0	51.7	50.9	44.7	55.4	62.9	49.9
1939	48.4	55.1	46.0	44.7	39.9	52.1	50.6	50.1	43.8	55.5	63.0	49.9
1940	48.8	55.3	46.3	45.1	40.5	52.4	50.2	50.6	44.3	55.7	63.2	50.0
1941	51.3	56.9	49.1	48.2	44.2	55.0	53.6	52.8	47.4	56.4	64.3	50.6
1942	56.8	60.9	55.3	55.2	51.9	61.2	60.9	58.4	54.3	58.2	65.7	52.8
1943	60.3	62.6	59.5	60.1	57.9	63.8	62.9	60.9	59.0	59.3	65.7	55.2
1944	61.3	65.0	60.5	60.8	57.1	67.3	68.7	64.0	59.5	60.7	65.9	57.9
1945	62.7	66.5	62.1	62.6	58.4	70.0	73.9	66.3	61.2	61.5	66.1	59.1
1946	68.0	69.4	68.4	69.4	66.9	74.4	77.3	71.1	68.0	62.7	66.5	61.2
1947	77.8	75.8	79.4	83.4	81.3	83.9	83.8	81.7	82.0	65.3	68.7	64.3
1948	83.8	81.3	85.6	89.4	88.2	90.3	89.9	88.0	88.0	69.4	73.2	68.0
1949	83.0	82.1	84.1	87.1	84.7	89.0	91.2	86.3	85.4	72.6	76.4	71.4
1950	83.8	83.1	84.7	87.6	85.8	88.9	92.2	86.2	85.9	75.0	79.1	73.4
1951	90.5	88.4	91.8	95.5	95.4	95.6	99.2	92.7	94.0	78.9	82.3	77.8
1952	92.5	90.5	93.6	96.7	97.1	96.4	100.5	93.2	95.1	82.4	85.7	81.5
1953	93.2	92.3	93.9	96.4	95.6	96.6	99.8	94.0	94.9	86.0	90.3	84.9
1954	93.6	92.8	93.9	95.5	95.4	95.6	97.3	94.4	94.8	88.7	93.5	87.4
1955	93.3	93.1	93.4	94.6	94.0	94.9	95.4	94.4	94.1	90.5	94.8	89.4
1956	94.7	94.7	94.7	95.5	94.7	95.9	95.4	96.5	95.4	92.8	96.5	91.9
1957	98.0	97.9	97.8	98.5	97.8	98.8	98.5	99.1	98.4	96.6	98.3	96.1
1958	100.7	100.1	100.7	100.8	101.9	99.9	100.0	99.8	101.0	100.3	100.1	100.2
1959	101.5	102.0	101.5	100.9	100.3	101.2	101.5	101.0	100.6	103.2	101.6	103.6
1960	103.1	103.7	103.0	101.7	101.4	101.7	100.9	102.6	101.9	106.6	103.1	107.4
1961	104.2	104.8	104.2	102.3	102.6	102.0	100.8	103.2	102.8	108.8	104.4	110.0
1962	105.4	106.1	105.4	103.2	103.6	102.8	101.8	103.8	103.6	110.9	105.7	112.1
1963	106.7	107.4	106.7	104.1	105.1	103.5	102.1	104.8	104.9	113.0	106.8	114.5
1964	108.1	108.9	108.0	105.2	106.4	104.4	103.0	105.7	106.0	115.2	107.8	117.0
1965	109.9	110.4	109.6	106.4	108.8	105.1	102.6	107.2	107.9	117.8	108.9	120.0
1966	113.1	113.0	112.9	109.2	114.2	106.5	102.7	109.7	111.8	122.3	110.4	125.0
1967	116.3	116.8	115.9	111.2	115.2	109.2	104.3	113.1	114.0	127.7	112.4	131.1
1968	121.2	121.9	120.6	115.3	119.3	113.2	107.5	117.7	118.4	134.3	115.1	138.6
1969	127.7	128.6	126.3	120.5	125.5	118.0	111.6	123.0	124.1	143.7	118.8	149.2
1968: Jan	118.6	119.3	118.2	113.2	117.0	111.2	106.3	115.1	116.0	130.8	113.7	134.6
Feb	119.0	119.7	118.5	113.5	117.4	111.5	106.4	115.6	116.4	131.3	113.9	135.2
Mar	119.5	120.2	119.1	113.9	117.9	111.9	106.6	116.1	116.9	132.1	114.2	136.1
Apr	119.9	120.6	119.6	114.3	118.3	112.2	106.9	116.4	117.3	132.5	114.4	136.6
May	120.3	121.0	120.0	114.7	118.8	112.5	106.9	117.0	117.8	133.0	114.6	137.1
June	120.9	121.6	120.4	115.1	119.1	113.0	107.4	117.5	118.2	133.9	114.9	138.1
July	121.5	122.1	120.8	115.5	120.0	113.2	107.6	117.6	118.7	134.9	115.1	139.3
Aug	121.9	122.6	121.2	115.9	120.5	113.5	107.7	118.1	119.2	135.5	115.4	140.0
Sept	122.2	123.0	121.5	116.1	120.4	113.9	107.6	118.9	119.6	136.0	115.7	140.5
Oct	122.9	123.8	122.2	116.8	120.9	114.7	108.5	119.7	120.2	136.6	116.0	141.2
Nov	123.4	124.4	122.5	117.1	120.5	115.3	109.3	120.2	120.3	137.4	116.3	142.0
Dec	123.7	124.7	122.7	117.2	121.2	115.2	108.7	120.3	120.7	138.1	116.7	142.9
1969: Jan	124.1	124.9	123.1	117.4	122.0	115.0	108.6	120.1	121.0	139.0	116.9	143.9
Feb	124.6	125.6	123.5	117.8	121.9	115.7	109.7	120.5	121.1	139.7	117.2	144.6
Mar	125.6	126.8	124.4	118.7	122.4	116.8	111.1	121.4	121.8	140.9	117.5	146.1
Apr	126.4	127.5	125.0	119.3	123.2	117.2	111.4	121.9	122.5	142.0	117.8	147.4
May	126.8	127.9	125.4	119.6	123.7	117.5	111.3	122.4	123.0	142.7	118.1	148.1
June	127.6	128.4	126.3	120.5	125.5	118.0	111.7	123.0	124.1	143.3	118.5	148.8
July	128.2	128.8	126.7	121.0	126.7	118.1	111.9	123.1	124.7	144.0	118.8	149.6
Aug	128.7	129.3	127.1	121.4	127.4	118.2	111.9	123.3	125.2	145.0	119.3	150.7
Sept	129.3	130.0	127.6	121.7	127.5	118.7	111.6	124.4	125.8	146.0	119.7	151.7
Oct	129.8	130.8	128.1	122.4	127.2	119.8	113.2	125.1	126.1	146.5	120.1	152.3
Nov	130.5	131.4	128.6	122.9	128.1	120.2	113.5	125.5	126.7	147.2	120.5	153.1
Dec	131.3	131.9	129.5	123.6	129.9	120.3	113.6	125.7	127.7	148.3	121.0	154.3

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C-47.—*Consumer price indexes, selected commodities and services, 1935–69*

For city wage earners and clerical workers

[1957-59=100]

Year or month	Durable commodities: Total[1]	Durable commodities: New cars	Durable commodities: Used cars	Durable commodities: Household durables	Durable commodities: House furnishings	Nondurable commodities less food: Total	Nondurable commodities less food: Apparel commodities	Nondurable commodities less food: Nondurables less food and apparel	Services less rent: Total	Services less rent: Household services less rent	Services less rent: Transportation services	Services less rent: Medical care services	Services less rent: Other[2]
1935	47.1	40.3	......	51.2	48.0	48.8	46.7	51.4	49.3	......	46.6	46.3	......
1936	47.8	40.6	......	52.1	48.8	49.2	47.2	51.9	49.0	......	46.2	46.5	......
1937	50.8	41.4	......	56.7	52.8	51.2	49.8	53.2	49.5	......	45.9	47.1	......
1938	51.7	43.4	......	56.7	52.4	50.9	49.4	53.1	49.9	......	46.2	47.2	......
1939	50.6	42.4	......	55.6	51.3	50.1	48.6	52.4	49.9	......	46.4	47.3	......
1940	50.2	42.5	......	54.9	50.9	50.6	49.2	52.9	50.0	......	46.3	47.3	......
1941	53.6	45.7	......	58.7	54.4	52.8	51.7	54.7	50.6	......	46.6	47.6	......
1942	60.9	......	......	65.7	61.9	58.4	60.4	57.8	52.8	......	49.1	49.0	......
1943	62.9	......	......	68.2	63.6	60.9	63.2	60.2	55.2	......	49.1	51.6	......
1944	68.7	......	......	74.6	69.1	64.0	67.6	61.9	57.9	......	49.0	53.7	......
1945	73.9	......	......	80.3	73.9	66.3	71.2	63.1	59.1	......	49.1	55.2	......
1946	77.3	......	......	84.9	80.6	71.1	78.5	65.8	61.2	......	50.1	58.4	......
1947	83.8	67.9	......	93.9	93.4	81.7	90.9	74.9	64.3	......	51.7	63.3	......
1948	89.9	74.2	......	99.9	99.1	88.0	96.5	81.8	68.0	......	57.7	67.6	......
1949	91.2	81.2	......	97.2	95.7	86.3	92.7	81.9	71.4	......	64.2	70.1	......
1950	92.2	81.8	......	98.4	96.3	86.2	91.6	82.5	73.4	......	68.4	71.7	......
1951	99.2	85.7	......	107.8	106.8	92.7	100.2	87.6	77.8	......	74.8	75.3	......
1952	100.5	93.1	......	105.0	104.2	93.2	99.1	89.3	81.5	......	80.1	80.1	......
1953	99.8	94.0	108.4	103.8	103.7	94.0	98.0	91.6	84.9	......	85.2	83.0	......
1954	97.3	92.5	92.2	101.0	101.9	94.4	97.5	92.5	87.4	......	88.9	85.5	......
1955	95.4	89.2	87.2	98.3	100.0	94.4	97.0	92.8	89.4	......	89.1	88.0	......
1956	95.4	91.7	83.9	97.9	98.9	96.5	98.6	95.1	91.9	90.4	90.5	91.4	93.5
1957	98.5	96.5	94.0	99.6	100.5	99.1	99.7	98.8	96.1	95.7	94.8	95.3	97.2
1958	100.0	99.6	97.4	100.3	99.8	99.8	99.7	99.9	100.2	100.8	100.8	100.0	100.2
1959	101.5	103.9	108.8	100.2	99.8	101.0	100.6	101.3	103.6	103.6	104.3	104.8	102.6
1960	100.9	102.5	101.6	100.1	100.1	102.6	102.0	102.8	107.4	108.0	107.0	109.1	106.2
1961	100.8	102.5	105.6	98.9	99.5	103.2	102.6	103.3	110.0	109.2	109.5	113.1	109.7
1962	101.8	102.1	115.2	98.8	98.9	103.8	103.0	104.2	112.1	110.6	111.2	116.8	112.6
1963	102.1	101.5	116.6	98.5	98.5	104.8	104.0	105.3	114.5	113.0	112.4	120.3	115.3
1964	103.0	101.2	121.6	98.4	98.4	105.7	104.9	106.2	117.0	114.8	115.0	123.2	118.5
1965	102.6	99.0	120.8	96.9	97.9	107.2	105.8	108.0	120.0	117.0	119.3	127.1	121.8
1966	102.7	97.2	117.8	96.8	98.8	109.7	108.5	110.3	125.0	121.5	124.3	133.9	126.5
1967	104.3	98.1	121.5	98.2	100.8	113.1	113.0	113.1	131.1	127.0	128.4	145.6	131.5
1968	107.5	100.8	......	101.4	104.7	117.7	119.3	116.8	138.6	134.5	133.5	156.3	138.8
1969	111.6	102.4	125.3	105.5	109.0	123.0	126.5	121.0	149.2	146.4	142.9	168.9	145.5
1968: Jan	106.3	101.0	125.8	99.6	102.6	115.1	114.8	115.3	134.6	129.9	131.5	151.4	134.8
Feb	106.4	100.8	123.6	99.9	103.1	115.6	115.6	115.5	135.2	130.6	131.9	152.3	135.3
Mar	106.6	100.6	......	100.4	103.8	116.1	116.6	115.8	136.1	131.1	132.4	153.6	137.0
Apr	106.9	100.3	126.3	100.8	104.2	116.4	117.6	115.8	136.6	131.5	132.7	154.3	137.6
May	106.9	100.3	126.7	101.1	104.4	117.0	118.7	116.0	137.1	132.1	132.9	155.0	138.3
June	107.4	100.1	......	101.3	104.7	117.5	119.1	116.6	138.1	133.7	133.3	155.5	138.9
July	107.6	99.8	......	101.5	104.8	117.6	118.9	116.9	139.3	135.6	133.5	156.6	139.2
Aug	107.7	99.1	......	101.6	104.9	118.1	119.5	117.3	140.0	136.7	133.6	157.1	139.7
Sept	107.6	98.4	126.7	102.0	105.4	118.9	121.5	117.4	140.5	137.0	133.8	158.2	140.3
Oct	108.5	102.8	......	102.3	105.9	119.7	122.7	117.9	141.2	137.6	134.6	159.4	140.9
Nov	109.3	103.8	......	102.8	106.5	120.2	123.4	118.3	142.0	138.5	135.2	160.3	141.5
Dec	108.7	102.7	118.7	103.0	106.6	120.3	123.7	118.3	142.9	139.2	136.8	161.4	142.0
1969: Jan	108.6	102.3	115.5	103.3	106.6	120.1	122.6	118.6	143.9	139.8	139.2	162.8	142.3
Feb	109.7	102.3	122.6	103.7	107.1	120.5	123.1	118.9	144.6	140.6	139.8	164.3	142.7
Mar	111.1	102.4	130.5	104.4	107.8	121.4	124.3	119.7	146.1	142.5	140.9	165.8	143.2
Apr	111.4	101.9	131.2	105.0	108.3	121.9	124.9	120.2	147.4	144.2	141.4	167.2	144.2
May	111.3	101.8	126.8	105.6	108.8	122.4	126.0	120.3	148.1	145.0	141.8	168.2	144.7
June	111.7	101.8	128.2	105.8	109.0	123.0	126.4	121.0	148.8	145.7	142.3	169.1	145.2
July	111.9	101.6	127.0	106.0	109.3	123.1	126.2	121.3	149.6	146.9	142.5	170.1	145.7
Aug	111.9	101.0	125.4	106.0	109.4	123.3	125.9	121.7	150.7	148.2	143.1	171.1	146.5
Sept	111.6	99.5	121.4	106.2	109.9	124.4	128.1	122.2	151.7	149.5	144.0	172.2	147.2
Oct	113.2	104.2	125.8	106.4	110.2	125.1	129.3	122.6	152.3	150.4	145.1	171.2	147.6
Nov	113.5	105.1	124.9	106.5	110.4	125.5	130.4	122.6	153.1	151.4	145.8	171.8	148.2
Dec	113.6	104.9	123.9	106.5	110.6	125.7	130.3	123.0	154.3	152.4	148.4	172.8	148.9

[1] Includes certain items not shown separately.
[2] Includes the services components of apparel, personal care, reading and recreation, and other goods and services.

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C–48.—*Wholesale price indexes, by major commodity groups, 1929–69*

[1957-59=100]

Year or month	All commodities	Farm products	Processed foods and feeds	Industrial commodities: Total	Textile products and apparel	Hides, skins, leather, and related products	Fuels and related products, and power	Chemicals and allied products
1929	52.1	63.9	----------	51.7	----------	56.6	61.5	----------
1930	47.3	54.0	----------	48.1	----------	52.0	58.2	----------
1931	39.9	39.6	----------	42.4	----------	44.7	50.0	----------
1932	35.6	29.4	----------	39.7	----------	38.0	52.1	----------
1933	36.1	31.3	----------	40.2	----------	42.0	49.3	46.6
1934	41.0	39.9	----------	44.2	----------	44.9	54.3	48.8
1935	43.8	48.0	----------	44.0	----------	46.5	54.5	50.9
1936	44.2	49.4	----------	44.9	----------	49.5	56.5	51.2
1937	47.2	52.7	----------	48.1	----------	54.3	57.5	53.6
1938	43.0	41.9	----------	46.1	----------	48.2	56.6	51.0
1939	42.2	39.9	----------	46.0	----------	49.6	54.2	50.7
1940	43.0	41.3	----------	46.8	----------	52.3	53.2	51.6
1941	47.8	50.1	----------	50.3	----------	56.1	56.6	56.1
1942	54.0	64.6	----------	53.9	----------	61.1	58.2	62.3
1943	56.5	74.8	----------	54.7	----------	61.0	59.9	63.1
1944	56.9	75.3	----------	55.6	----------	60.5	61.6	63.8
1945	57.9	78.3	----------	56.3	----------	61.3	62.3	64.2
1946	66.1	90.6	----------	61.7	----------	70.7	66.7	69.4
1947	81.2	109.1	92.6	75.3	105.7	96.5	79.7	92.2
1948	87.9	117.1	99.1	81.7	110.3	97.5	93.8	94.4
1949	83.5	101.3	90.0	80.0	100.9	92.5	89.3	86.2
1950	86.8	106.4	93.2	82.9	104.8	99.9	90.2	87.5
1951	96.7	123.8	103.5	91.5	116.9	114.8	93.5	100.1
1952	94.0	116.8	102.3	89.4	105.5	92.8	93.3	95.0
1953	92.7	105.9	97.6	90.1	102.8	94.1	95.9	96.1
1954	92.9	104.4	99.3	90.4	100.6	89.9	94.6	97.3
1955	93.2	97.9	95.0	92.4	100.7	89.5	94.5	96.9
1956	96.2	96.6	94.8	96.5	100.7	94.8	97.4	97.5
1957	99.0	99.2	97.6	99.2	100.8	94.9	102.7	99.6
1958	100.4	103.6	102.5	99.5	98.9	96.0	98.7	100.4
1959	100.6	97.2	99.9	101.3	100.4	109.1	98.7	100.0
1960	100.7	96.9	100.0	101.3	101.5	105.2	99.6	100.2
1961	100.3	96.0	101.6	100.8	99.7	106.2	100.7	99.1
1962	100.6	97.7	102.7	100.8	100.6	107.4	100.2	97.5
1963	100.3	95.7	103.3	100.7	100.5	104.2	99.8	96.3
1964	100.5	94.3	103.1	101.2	101.2	104.6	97.1	96.7
1965	102.5	98.4	106.7	102.5	101.8	109.2	98.9	97.4
1966	105.9	105.6	113.0	104.7	102.1	119.7	101.3	97.8
1967	106.1	99.7	111.7	106.3	102.0	115.8	103.6	98.4
1968	108.7	102.2	114.1	109.0	105.7	119.5	102.4	98.2
1969	113.0	108.5	119.8	112.7	108.0	125.8	104.6	98.3
1968: Jan	107.2	99.0	112.4	107.8	104.3	116.5	101.8	98.2
Feb	108.0	101.3	113.3	108.3	104.6	116.7	102.5	98.1
Mar	108.2	102.1	112.9	108.6	104.6	117.9	102.0	98.6
Apr	108.3	102.1	112.8	108.8	104.7	118.3	102.4	98.8
May	108.5	103.6	113.6	108.6	104.8	118.8	102.4	98.7
June	108.7	102.5	114.6	108.8	105.2	118.7	103.7	98.5
July	109.1	103.9	115.9	108.8	105.8	119.5	103.3	98.2
Aug	108.7	101.4	114.9	108.9	106.0	119.5	102.6	98.1
Sept	109.1	102.8	115.3	109.2	106.5	120.7	102.5	97.9
Oct	109.1	101.2	114.4	109.7	107.0	122.3	101.9	97.8
Nov	109.6	103.1	114.7	109.9	107.2	122.4	102.0	97.8
Dec	109.8	103.3	114.7	110.2	107.1	122.8	102.2	97.7
1969: Jan	110.7	104.9	116.0	110.9	107.4	123.5	102.4	97.6
Feb	111.1	105.0	116.3	111.4	107.2	123.4	102.7	97.8
Mar	111.7	106.5	116.4	112.0	107.1	123.4	104.2	98.0
Apr	111.9	105.6	117.3	112.1	107.1	126.0	104.5	97.9
May	112.8	110.5	119.4	112.2	106.9	126.1	104.5	98.1
June	113.2	111.2	121.4	112.2	107.2	125.7	105.0	98.3
July	113.3	110.5	122.0	112.4	107.7	126.4	105.0	98.2
Aug	113.4	108.9	121.5	112.8	108.7	126.4	104.7	98.7
Sept	113.6	108.4	121.3	113.2	109.0	128.2	104.7	98.9
Oct	114.0	107.9	121.6	113.8	109.1	127.4	105.4	98.6
Nov	114.7	111.1	121.8	114.2	109.2	126.8	105.5	98.9
Dec	115.1	111.7	122.6	114.6	109.2	126.5	105.1	98.8

See footnotes at end of table.

TABLE C-48.—*Wholesale price indexes, by major commodity groups, 1929–69*—Continued

[1957-59=100]

Year or month	Industrial commodities—Continued								
	Rubber and rubber products	Lumber and wood products	Pulp, paper, and allied products	Metals and metal products	Machinery and equipment	Furniture and household durables	Nonmetallic mineral products	Transportation equipment: Motor vehicles and equipment[1]	Miscellaneous products
1929	57.6	26.4	....	44.1	....	56.4	53.4	42.8	....
1930	50.4	24.1	....	39.7	....	55.5	53.2	40.3	....
1931	42.8	19.6	....	35.7	....	51.1	49.7	38.3	....
1932	37.1	16.9	....	32.8	....	45.0	46.5	37.3	....
1933	39.0	20.0	....	33.6	....	45.1	49.2	35.6	....
1934	45.5	23.5	....	37.1	....	49.0	52.6	37.5	....
1935	45.8	22.6	....	37.0	....	48.6	52.6	36.0	....
1936	49.4	23.6	....	37.8	....	49.3	52.7	35.7	....
1937	58.1	27.9	....	43.2	....	54.7	53.9	38.2	....
1938	57.1	25.4	....	41.6	....	53.4	52.2	40.8	....
1939	59.3	26.1	....	41.2	46.2	53.2	51.2	40.0	....
1940	55.3	28.9	....	41.4	46.3	54.4	51.2	41.3	....
1941	59.6	34.5	....	42.2	47.1	57.8	52.4	44.2	....
1942	69.4	37.5	....	42.8	47.8	62.5	54.5	48.2	....
1943	71.3	39.7	....	42.7	47.4	62.1	54.7	48.2	....
1944	70.4	42.8	....	42.7	47.1	63.8	55.8	48.5	....
1945	68.3	43.4	....	43.4	47.2	63.9	58.1	49.4	....
1946	68.6	49.7	....	48.5	51.9	67.8	61.8	57.2	....
1947	68.3	77.4	75.3	60.2	60.0	77.8	69.1	65.5	80.3
1948	70.5	88.5	78.6	68.5	65.1	82.5	74.7	72.4	83.6
1949	68.3	81.9	75.2	69.0	68.2	83.8	76.7	77.4	85.2
1950	83.2	94.1	77.1	72.7	70.5	85.6	78.6	77.0	86.6
1951	102.1	102.5	91.3	80.9	78.8	92.8	83.5	81.1	91.7
1952	92.5	99.5	89.0	81.0	78.9	91.1	83.5	85.8	91.2
1953	86.3	99.4	88.7	83.6	80.7	92.9	86.9	85.4	93.6
1954	87.6	97.6	88.8	84.3	82.1	93.9	88.8	85.6	94.4
1955	99.2	102.3	91.1	90.0	84.6	94.3	91.3	88.2	94.5
1956	100.6	103.8	97.2	97.8	91.5	96.9	95.2	93.2	95.8
1957	100.2	98.5	99.0	99.7	97.9	99.4	98.9	97.2	98.6
1958	100.1	97.4	100.1	99.1	100.0	100.2	99.9	100.3	100.6
1959	99.7	104.1	101.0	101.2	102.1	100.4	101.2	102.5	100.8
1960	99.9	100.4	101.8	101.3	102.9	100.1	101.4	101.0	101.7
1961	96.1	95.9	98.8	100.7	102.9	99.5	101.8	100.8	102.0
1962	93.3	96.5	100.0	100.0	102.9	98.8	101.8	100.8	102.4
1963	93.8	98.6	99.2	100.1	103.1	98.1	101.3	100.0	103.3
1964	92.5	100.6	99.0	102.8	103.8	98.5	101.5	100.5	104.1
1965	92.9	101.1	99.9	105.7	105.0	98.0	101.7	100.7	104.8
1966	94.8	105.6	102.6	108.3	108.2	99.1	102.6	100.8	106.8
1967	96.9	105.4	103.8	109.6	111.8	101.1	104.3	102.2	109.3
1968	100.3	119.3	105.2	112.4	115.2	104.0	108.1	104.9	111.8
1969	102.1	132.0	108.2	118.9	119.0	106.1	112.8	107.0	114.7
1968: Jan	99.5	108.6	105.2	112.2	113.9	103.0	106.0	104.3	111.0
Feb	99.5	111.6	105.7	113.3	114.1	103.3	106.9	104.3	111.3
Mar	99.7	113.9	105.2	113.8	114.3	103.6	107.3	104.3	111.5
Apr	99.7	115.8	105.2	113.3	114.8	103.8	107.4	104.3	111.8
May	99.8	117.0	105.5	111.7	115.0	104.0	107.8	104.2	111.8
June	99.9	117.2	104.7	111.7	115.0	103.9	108.3	104.5	111.8
July	100.7	119.2	104.9	111.4	115.2	104.1	108.4	104.2	111.5
Aug	100.6	120.5	104.9	111.3	115.4	104.2	108.7	104.4	111.6
Sept	100.7	122.6	105.1	112.2	115.8	104.4	108.7	104.1	111.9
Oct	101.0	124.9	105.2	112.5	116.1	104.5	108.9	106.5	112.0
Nov	101.1	126.8	105.2	112.4	116.6	104.7	109.2	106.6	112.5
Dec	101.1	133.5	105.2	112.8	116.7	105.0	109.3	106.6	112.5
1969: Jan	100.0	137.8	106.2	114.4	117.0	105.3	110.6	106.5	112.5
Feb	100.5	144.5	106.8	115.2	117.3	105.4	111.2	106.4	112.5
Mar	100.9	149.5	107.4	115.8	117.8	105.7	111.9	106.3	112.5
Apr	101.2	143.3	108.0	116.5	118.0	105.8	112.3	106.4	112.7
May	101.1	138.0	108.1	117.5	118.3	105.9	112.6	106.5	112.8
June	101.2	129.8	108.3	117.9	118.6	105.9	112.8	106.6	115.1
July	102.5	125.3	108.4	118.7	119.0	106.1	113.0	106.6	115.5
Aug	103.0	124.0	108.7	120.4	119.1	106.2	113.0	106.0	115.9
Sept	102.7	123.2	108.8	121.7	119.9	106.4	113.5	106.1	116.4
Oct	103.5	122.6	109.0	122.4	120.5	106.5	113.8	108.7	116.7
Nov	104.4	123.9	109.3	122.9	121.0	106.9	113.9	109.0	117.0
Dec	104.5	122.5	109.5	123.8	121.9	107.2	114.5	109.0	117.0

[1] Index for total transportation equipment available only beginning December 1968.

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C–49.—*Wholesale price indexes, by stage of processing, 1947–69*

[1957-59=100]

Year or month	All commodities	Crude materials: Total	Crude materials: Foodstuffs and feedstuffs	Crude materials: Nonfood materials, except fuel	Crude materials: Fuel	Intermediate materials, supplies, and components [1]: Total	Materials and components for manufacturing: Total	Materials: For food manufacturing	Materials: For nondurable manufacturing	Materials: For durable manufacturing	Components	Materials and components for construction
1947	81.2	100.8	113.0	86.5	73.6	76.5	75.5	102.6	94.0	58.8	63.0	69.6
1948	87.9	110.5	122.2	96.2	87.0	82.7	81.5	105.8	99.5	66.4	68.0	77.0
1949	83.5	95.6	101.5	87.5	86.5	79.4	78.0	91.0	90.7	68.2	69.3	77.2
1950	86.8	104.2	108.9	100.0	86.1	83.0	81.8	94.7	95.2	72.1	71.9	81.2
1951	96.7	119.6	126.0	115.3	87.7	93.0	92.7	105.5	110.3	80.1	81.6	88.8
1952	94.0	109.9	118.6	99.9	88.3	90.3	88.8	101.4	99.3	80.3	81.8	88.2
1953	92.7	101.5	106.2	95.6	91.4	90.8	90.2	101.6	98.5	83.9	83.3	89.7
1954	92.9	100.6	106.2	93.8	87.3	91.3	90.4	100.7	96.9	85.7	83.7	90.1
1955	93.2	96.7	96.2	99.1	87.1	93.0	92.6	97.5	97.3	90.0	87.4	93.7
1956	96.2	97.2	94.2	102.8	93.3	97.1	96.9	97.9	98.8	95.7	95.4	98.5
1957	99.0	99.4	98.4	101.4	98.6	99.4	99.3	99.7	100.1	98.8	99.1	99.1
1958	100.4	101.6	104.2	97.6	99.8	99.6	99.7	102.0	99.1	99.5	99.9	99.1
1959	100.6	99.0	97.4	101.0	101.6	101.0	101.0	98.3	100.8	101.8	101.1	101.8
1960	100.7	96.6	96.2	96.8	102.5	101.0	101.0	99.5	100.8	101.9	100.6	101.1
1961	100.3	96.1	94.9	97.9	102.3	100.3	99.8	102.6	98.6	100.5	99.6	99.7
1962	100.6	97.1	96.8	97.4	101.8	100.2	99.2	100.5	98.0	100.4	98.8	99.3
1963	100.3	95.0	94.0	96.2	103.0	100.5	99.4	105.5	97.1	100.5	98.8	99.6
1964	100.5	94.1	91.9	97.8	102.5	100.9	100.4	104.0	97.8	102.5	99.7	100.6
1965	102.5	98.9	98.3	99.8	103.3	102.2	102.0	106.6	98.7	104.6	101.3	101.4
1966	105.9	105.3	107.2	101.9	106.4	104.8	104.0	111.3	99.5	106.6	104.9	104.1
1967	106.1	99.6	101.2	95.5	110.5	105.6	104.7	109.2	98.7	108.1	108.0	105.4
1968	108.7	101.1	102.5	97.4	112.7	108.0	107.1	110.7	100.2	111.7	110.5	110.7
1969	113.0	107.9	110.4	102.0	117.6	111.8	110.8	116.8	101.2	118.1	114.0	116.9
1968: Jan	107.2	99.1	99.1	98.2	111.4	106.9	106.3	108.7	99.8	110.9	109.4	107.4
Feb	108.0	100.9	101.8	98.4	111.7	107.6	106.9	109.9	100.1	112.0	109.9	108.5
Mar	108.2	101.6	102.6	98.9	112.2	107.7	107.1	109.6	99.9	112.7	110.0	109.3
Apr	108.3	101.4	102.9	97.6	112.3	107.9	107.2	109.7	100.0	112.3	110.6	109.9
May	108.5	102.0	104.1	96.6	112.4	107.7	106.9	110.6	100.3	110.9	110.5	109.8
June	108.7	101.4	103.2	96.7	112.2	107.8	106.8	111.3	100.0	110.9	110.3	110.0
July	109.1	102.6	104.9	96.8	112.5	107.9	106.9	112.0	100.0	110.9	110.4	110.4
Aug	108.7	100.8	102.0	97.4	112.4	107.9	106.8	111.3	100.1	110.9	110.5	110.9
Sept	109.1	100.9	102.1	97.7	112.6	108.3	107.3	111.6	100.4	111.9	110.6	111.7
Oct	109.1	100.2	101.2	97.0	113.2	108.5	107.4	110.6	100.4	112.2	111.0	112.4
Nov	109.6	101.5	103.2	96.8	114.3	108.6	107.6	111.3	100.5	112.1	111.3	112.9
Dec	109.8	101.3	102.6	97.1	115.3	109.2	107.8	111.5	100.5	112.9	111.4	114.6
1969: Jan	110.7	102.8	104.5	97.9	115.7	110.1	108.5	112.7	100.5	114.8	111.5	116.3
Feb	111.1	103.8	105.9	98.3	115.4	110.7	109.1	113.1	100.6	116.0	111.9	118.3
Mar	111.7	105.2	107.6	99.5	115.8	111.4	109.6	113.4	100.7	117.0	112.4	119.7
Apr	111.9	105.7	107.6	101.1	116.2	111.4	109.8	114.1	100.8	117.3	112.6	118.4
May	112.8	109.7	113.5	101.8	116.4	111.4	110.2	116.3	100.9	117.5	113.1	117.6
June	113.2	111.2	115.6	102.1	116.8	111.4	110.4	117.8	101.1	117.1	113.4	116.0
July	113.3	110.2	113.8	102.6	117.1	111.4	110.6	117.8	101.2	117.4	113.9	115.4
Aug	113.4	109.5	112.1	104.1	117.2	111.9	111.4	118.4	101.7	118.7	114.3	115.5
Sept	113.6	108.7	110.4	104.8	118.1	112.4	111.8	118.3	101.7	119.6	115.1	115.8
Oct	114.0	108.7	110.5	104.0	119.9	112.8	112.2	119.2	101.5	120.0	116.1	116.2
Nov	114.7	109.0	111.0	104.0	121.1	113.1	112.6	120.0	101.7	120.4	116.7	116.7
Dec	115.1	109.9	112.2	104.2	121.5	113.5	112.9	119.9	101.6	121.4	117.0	116.8

See footnotes at end of table.

TABLE C–49.—*Wholesale price indexes, by stage of processing, 1947–69*—Continued

[1957-59=100]

Year or month	Finished goods						Special groups of industrial products		
	Total	Consumer finished goods				Producer finished goods	Crude materials [2]	Intermediate materials, supplies, and components [3]	Consumer finished goods excluding foods
		Total	Foods	Other nondurable goods	Durable goods				
1947	80.1	86.1	90.7	86.5	75.9	61.8	79.2	73.4	83.1
1948	86.4	92.6	99.0	92.0	81.1	67.4	92.5	79.8	88.4
1949	84.0	88.3	91.0	88.2	83.2	70.7	84.0	77.8	86.5
1950	85.5	89.8	92.8	89.6	84.1	72.4	93.6	81.4	87.8
1951	93.6	98.2	104.2	96.5	89.7	79.5	102.9	91.2	94.2
1952	93.0	97.0	103.3	94.1	90.4	80.8	93.1	88.3	92.9
1953	92.1	95.4	97.9	95.0	91.1	82.1	92.4	89.4	93.7
1954	92.3	95.3	97.1	95.3	91.8	83.1	88.0	89.8	94.1
1955	92.5	94.7	94.7	95.8	92.8	85.6	96.6	92.5	94.8
1956	95.1	96.1	94.5	97.7	95.9	92.0	102.3	97.0	97.1
1957	98.6	98.9	97.8	99.9	98.7	97.7	100.9	99.6	99.5
1958	100.8	101.0	103.5	99.3	100.1	100.2	96.9	99.4	99.6
1959	100.6	100.1	98.7	100.8	101.3	102.1	102.3	101.0	100.9
1960	101.4	101.1	100.8	101.5	100.9	102.3	98.3	101.4	101.3
1961	101.4	100.9	100.4	101.5	100.5	102.5	97.2	100.1	101.2
1962	101.7	101.2	101.3	101.6	100.0	102.9	95.6	99.9	101.0
1963	101.4	100.7	100.1	101.9	99.5	103.1	94.3	99.6	101.0
1964	101.8	100.9	100.6	101.6	99.9	104.1	97.1	100.2	100.9
1965	103.6	102.8	104.5	102.8	99.6	105.4	100.9	101.5	101.7
1966	106.9	106.4	111.2	104.8	100.2	108.0	104.5	103.6	103.2
1967	108.2	107.0	109.5	107.2	101.7	111.6	100.0	104.8	105.2
1968	111.3	109.9	113.4	109.4	103.9	115.3	101.8	107.5	107.4
1969	115.3	114.0	120.3	112.3	105.8	119.3	110.5	111.3	109.9
1968: Jan	109.7	108.2	110.6	108.0	103.5	114.0	101.4	106.3	106.4
Feb	110.2	108.9	112.0	108.4	103.5	114.2	102.4	107.0	106.7
Mar	110.4	109.0	111.9	108.6	103.6	114.4	103.1	107.3	106.8
Apr	110.5	109.0	111.7	109.0	103.5	114.8	101.7	107.5	107.0
May	110.9	109.5	113.0	109.1	103.5	114.9	100.5	107.3	107.0
June	111.3	110.0	113.6	109.8	103.5	115.1	100.6	107.2	107.5
July	111.9	110.7	115.3	110.0	103.3	115.2	100.9	107.3	107.5
Aug	111.4	110.0	113.7	109.7	103.6	115.4	101.0	107.4	107.5
Sept	112.0	110.7	115.6	109.9	103.4	115.7	101.5	107.8	107.5
Oct	112.0	110.6	113.9	110.0	104.9	116.4	102.2	108.1	108.2
Nov	112.5	111.0	114.8	110.2	105.0	116.9	103.0	108.2	108.4
Dec	112.6	111.1	115.2	110.2	105.0	117.1	103.8	108.8	108.3
1969: Jan	113.2	111.8	116.8	110.4	105.1	117.6	105.0	109.7	108.4
Feb	113.3	111.7	116.4	110.7	105.1	117.8	105.5	110.4	108.7
Mar	113.7	112.2	117.1	111.2	105.3	118.0	107.2	111.1	109.0
Apr	113.8	112.3	116.9	111.5	105.4	118.1	109.0	111.0	109.2
May	114.7	113.5	120.1	111.4	105.4	118.5	109.7	111.1	109.2
June	115.4	114.2	121.3	112.2	105.5	118.7	110.2	110.8	109.7
July	115.9	114.8	122.3	112.6	105.6	119.3	110.7	110.9	110.0
Aug	115.7	114.4	121.2	113.0	105.2	119.3	112.5	111.3	110.1
Sept	116.0	114.7	121.6	113.3	105.3	119.9	113.9	111.8	110.3
Oct	116.5	115.1	121.2	113.6	106.9	120.8	113.7	112.2	111.1
Nov	117.6	116.2	123.9	113.8	107.1	121.5	114.1	112.6	111.3
Dec	118.0	116.5	124.5	114.1	107.2	122.3	114.5	112.9	111.5

[1] Includes, in addition to subgroups shown, processed fuels and lubricants, containers, and supplies.
[2] Excludes crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.
[3] Excludes intermediate materials for food manufacturing and manufactured animal feeds.

Note.—For a listing of the commodities included in each sector, see monthly report "Wholesale Prices and Price Indexes," January–February 1967.

Source: Department of Labor, Bureau of Labor Statistics.

TABLE C-50.—*Money supply, 1947–69*

[Averages of daily figures, billions of dollars]

Year and month	Seasonally adjusted: Total money supply and time deposits adjusted	Seasonally adjusted: Money supply: Total	Seasonally adjusted: Money supply: Currency component [1]	Seasonally adjusted: Money supply: Demand deposit component [2]	Seasonally adjusted: Time deposits adjusted [3]	Unadjusted: Total money supply and time deposits adjusted	Unadjusted: Money supply: Total	Unadjusted: Money supply: Currency component [1]	Unadjusted: Money supply: Demand deposit component [2]	Unadjusted: Time deposits adjusted [3]	U.S. Government demand deposits [4]
1947: Dec	148.5	113.1	26.4	86.7	35.4	151.1	115.9	26.8	89.1	35.1	1.0
1948: Dec	147.6	111.5	25.8	85.8	36.0	150.0	114.3	26.2	88.1	35.7	1.8
1949: Dec	147.6	111.2	25.1	86.0	36.4	150.0	113.9	25.5	88.4	36.1	2.8
1950: Dec	152.9	116.2	25.0	91.2	36.7	155.6	119.2	25.4	93.8	36.4	2.4
1951: Dec	160.8	122.7	26.1	96.5	38.2	163.8	125.8	26.6	99.2	38.0	2.7
1952: Dec	168.6	127.4	27.3	100.1	41.1	171.7	130.8	27.8	103.0	40.9	4.9
1953: Dec	173.3	128.8	27.7	101.1	44.5	176.4	132.1	28.2	103.9	44.2	3.8
1954: Dec	180.6	132.3	27.4	104.9	48.3	183.6	135.6	27.9	107.7	48.0	5.0
1955: Dec	185.2	135.2	27.8	107.4	50.0	188.2	138.6	28.4	110.2	49.6	3.4
1956: Dec	188.8	136.9	28.2	108.7	51.9	191.7	140.3	28.8	111.5	51.4	3.4
1957: Dec	193.3	135.9	28.3	107.6	57.4	196.0	139.3	28.9	110.4	56.7	3.5
1958: Dec	206.6	141.1	28.6	112.6	65.4	209.3	144.7	29.2	115.5	64.6	3.9
1959: Dec	209.3	141.9	28.9	113.1	67.4	212.2	145.6	29.5	116.1	66.6	4.9
1960: Dec	213.9	141.1	28.9	112.1	72.9	216.8	144.7	29.6	115.2	72.1	4.7
1961: Dec	228.1	145.4	29.6	115.9	82.7	231.2	149.4	30.2	119.2	81.8	4.9
1962: Dec	245.2	147.4	30.6	116.8	97.8	248.2	151.6	31.2	120.3	96.7	5.6
1963: Dec	265.2	153.0	32.5	120.5	112.2	268.2	157.3	33.1	124.1	111.0	5.1
1964: Dec	285.9	159.3	34.2	125.1	126.6	289.2	164.0	35.0	129.1	125.2	5.5
1965: Dec	313.4	166.7	36.3	130.4	146.7	317.3	172.0	37.1	134.9	145.2	4.6
1966: Dec	328.9	170.4	38.3	132.1	158.5	332.7	175.8	39.1	136.7	156.9	3.4
1967: Dec	365.4	181.7	40.4	141.3	183.7	369.5	187.5	41.2	146.2	182.0	5.0
1968: Dec	399.7	194.8	43.4	151.4	204.9	404.1	201.0	44.3	156.7	203.1	5.0
1969: Dec p	393.8	199.7	46.0	153.7	194.1	398.4	206.0	47.0	159.1	192.4	5.5
1968: Jan	366.7	182.6	40.6	142.0	184.1	371.8	188.1	40.5	147.5	183.8	5.0
Feb	369.1	183.3	40.7	142.6	185.8	367.7	181.9	40.3	141.6	185.8	7.2
Mar	371.5	184.2	41.1	143.2	187.2	370.3	182.6	40.7	141.9	187.8	6.7
Apr	372.8	185.1	41.3	143.8	187.7	374.2	186.1	41.0	145.1	188.0	4.3
May	375.1	186.8	41.6	145.3	188.2	371.8	183.2	41.3	141.9	188.6	6.5
June	376.9	188.2	41.9	146.3	188.6	375.2	186.4	41.8	144.6	188.8	5.6
July	380.7	189.6	42.1	147.5	191.1	379.3	188.1	42.3	145.9	191.1	5.8
Aug	384.8	191.0	42.4	148.6	193.8	382.7	188.0	42.5	145.5	194.7	5.6
Sept	387.8	191.4	42.7	148.8	196.4	386.7	190.1	42.7	147.4	196.6	6.1
Oct	391.3	191.8	42.8	149.1	199.4	391.6	192.0	42.8	149.2	199.6	6.3
Nov	395.7	193.6	43.2	150.5	202.1	396.5	195.3	43.6	151.7	201.3	4.5
Dec	399.7	194.8	43.4	151.4	204.9	404.1	201.0	44.3	156.7	203.1	5.0
1969: Jan	399.0	195.8	43.5	152.3	203.2	404.5	201.7	43.5	158.2	202.8	4.9
Feb	398.7	196.3	43.8	152.5	202.4	397.2	194.8	43.4	151.4	202.4	6.9
Mar	399.1	196.8	44.1	152.6	202.3	397.9	195.0	43.7	151.3	202.9	4.8
Apr	400.4	198.1	44.2	154.0	202.3	401.9	199.2	43.8	155.3	202.7	5.4
May	400.0	198.3	44.5	153.8	201.7	396.6	194.4	44.2	150.3	202.2	9.2
June	399.8	199.0	44.8	154.2	200.8	398.0	197.0	44.7	152.3	201.0	6.0
July	397.0	199.3	45.0	154.4	197.7	395.5	197.8	45.2	152.7	197.7	5.6
Aug	393.5	199.0	45.3	153.8	194.5	391.4	195.9	45.4	150.5	195.5	4.3
Sept	393.1	199.0	45.2	153.7	194.1	391.9	197.6	45.2	152.4	194.3	5.3
Oct	392.6	199.1	45.6	153.6	193.5	393.0	199.3	45.6	153.7	193.7	4.2
Nov	392.7	199.3	45.9	153.4	193.4	393.6	201.0	46.4	154.7	192.6	5.1
Dec p	393.8	199.7	46.0	153.7	194.1	398.4	206.0	47.0	159.1	192.4	5.5

1 Currency outside the Treasury, the Federal Reserve System, and the vaults of all commercial banks.
2 Demand deposits at all commercial banks, other than those due to domestic commercial banks and the U.S. Government, less cash items in process of collection and Federal Reserve float, plus foreign demand balances at Federal Reserve banks.
3 Time deposits adjusted are time deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Government.
4 Deposits at all commercial banks.

Note.—Effective June 1966, balances accumulated for payment of personal loans are reclassified for reserve purposes and are excluded from time deposits reported by member banks. The estimated amount of such deposits at all commercial banks ($1.1 billion) is excluded from time deposits adjusted thereafter.

Source: Board of Governors of the Federal Reserve System.

TABLE C-51.—*Bank loans and investments, 1930–69*

[Billions of dollars]

End of year or month [1]	All commercial banks				Weekly reporting large commercial banks [3]
	Total loans and investments [2]	Loans [2]	Investments		
			U.S. Government securities	Other securities	Business loans [4]
1930 June	48.9	34.5	5.0	9.4	------------
1931 June	44.9	29.2	6.0	9.7	------------
1932 June	36.1	21.8	6.2	8.1	------------
1933 June	30.4	16.3	7.5	6.5	------------
1934 June	32.7	15.7	10.3	6.7	------------
1935	36.1	15.2	13.8	7.1	------------
1936	39.6	16.4	15.3	7.9	------------
1937	38.4	17.2	14.2	7.0	5.1
1938	38.7	16.4	15.1	7.2	4.2
1939	40.7	17.2	16.3	7.1	4.7
1940	43.9	18.8	17.8	7.4	5.3
1941	50.7	21.7	21.8	7.2	7.1
1942	67.4	19.2	41.4	6.8	6.3
1943	85.1	19.1	59.8	6.1	6.4
1944	105.5	21.6	77.6	6.3	6.5
1945	124.0	26.1	90.6	7.3	7.3
1946	114.0	31.1	74.8	8.1	11.3
1947	116.3	38.1	69.2	9.0	14.7
1948	114.2	42.4	62.6	9.2	15.6
	Seasonally adjusted				
1948	113.0	41.5	62.3	9.2	15.6
1949	118.7	42.0	66.4	10.3	13.9
1950	124.7	51.1	61.1	12.4	17.9
1951	130.2	56.5	60.4	13.4	21.6
1952	139.1	62.8	62.2	14.2	23.4
1953	143.1	66.2	62.2	14.7	23.4
1954	153.1	69.1	67.6	16.4	22.4
1955	157.6	80.6	60.3	16.8	26.7
1956	161.6	88.1	57.2	16.3	30.8
1957	166.4	91.5	56.9	17.9	31.8
1958	181.2	95.6	65.1	20.5	31.7
1959	185.9	107.8	57.7	20.5	30.7
1960	194.5	113.8	59.8	20.8	32.2
1961	209.6	120.4	65.3	23.9	32.9
1962	227.9	134.0	64.6	29.2	35.2
1963	246.2	149.6	61.7	35.0	38.8
1964	267.2	167.7	60.7	38.7	42.1
1965	294.4	192.6	57.1	44.8	[3] 53.1
1966	[5] 310.5	[5] 208.2	53.6	[5] 48.7	60.7
1967	346.5	225.4	59.7	61.4	65.8
1968	384.6	251.6	61.5	71.5	73.1
1969 [p]	398.6	276.2	51.8	70.5	81.6
1968: Jan	349.9	227.5	60.0	62.4	64.9
Feb	353.9	229.2	62.0	62.7	64.9
Mar	352.5	229.0	59.9	63.6	66.4
Apr	355.2	231.4	60.3	63.4	67.4
May	357.3	232.6	61.0	63.6	66.9
June	357.8	233.5	60.4	63.9	69.0
July	365.9	238.4	63.1	64.4	69.0
Aug	370.4	241.1	63.9	65.5	68.0
Sept	374.6	243.6	64.0	67.0	69.3
Oct	379.4	246.7	64.2	68.5	69.7
Nov	381.6	250.4	61.0	70.2	71.2
Dec	384.6	251.6	61.5	71.5	73.1
1969: Jan	385.9	253.7	60.8	71.4	72.9
Feb	387.9	258.4	58.1	71.5	73.7
Mar	386.6	257.3	57.4	71.9	75.0
Apr	390.7	261.0	57.7	72.1	76.7
May	392.2	264.1	56.1	72.0	76.6
June	392.5	264.3	56.2	72.0	78.4
June	[6] 397.3	[6] 269.2	[6] 56.3	[6] 71.8	------------
July	397.7	269.9	56.8	71.0	77.6
Aug	397.5	270.3	56.9	70.3	76.6
Sept	396.5	271.3	54.7	70.5	78.1
Oct [p]	396.8	273.3	53.4	70.1	77.6
Nov [p]	399.7	275.5	53.2	71.0	78.0
Dec [p]	398.6	276.2	51.8	70.5	81.6

[1] Data are for last Wednesday of month (except June 30 and December 31 call dates used for all commercial banks).

[2] Adjusted to exclude interbank loans beginning 1948.

[3] Loans by weekly reporting large commercial banks beginning 1965 and formerly weekly reporting member banks.

[4] Commercial and industrial loans and prior to 1956, agricultural loans. Beginning July 1959, loans to financial institutions excluded. Prior to 1943, published data adjusted to include open-market paper.

[5] Effective June 1966, balances accumulated for payment of personal loans (about $1.1 billion) are excluded from loans at all commercial banks, and certain certificates of CCC and Export-Import Bank totaling about $1 billion are included in other securities rather than in loans.

[6] New series beginning June 1969; for details see "Federal Reserve Bulletin", August 1969.

Source: Board of Governors of the Federal Reserve System.

TABLE C–52.—*Total funds raised in credit markets by nonfinancial sectors, 1961–69*

[Billions of dollars]

Nonfinancial sector	1961	1962	1963	1964	1965	1966	1967	1968
Total funds raised	46.9	54.1	57.7	66.9	70.4	68.5	82.6	97.4
U.S. Government	7.2	7.0	4.0	6.4	1.7	3.5	13.0	13.4
Public debt securities	6.7	6.2	4.1	5.4	1.3	2.3	8.9	10.3
Budget agency issues	.6	.8	–.1	1.0	.4	1.2	4.1	3.0
All other sectors	39.6	47.1	53.7	60.5	68.7	64.9	69.6	84.1
Capital market instruments	31.9	33.1	35.7	37.9	39.1	39.9	48.0	50.5
Corporate equity shares	2.8	.6	–.2	1.6	.3	.9	2.4	–.7
Debt capital instruments	29.1	32.6	35.9	36.3	38.8	39.0	45.7	51.2
State and local governments	5.2	5.3	5.9	5.7	7.3	5.7	7.7	9.9
Corporate and foreign bonds	5.1	5.5	4.9	4.5	5.9	11.0	15.9	14.0
Mortgages	18.8	21.7	25.1	26.1	25.6	22.3	22.0	27.3
Home	11.1	12.8	15.1	15.6	15.4	11.4	11.6	15.2
Other residential	2.6	2.8	3.2	4.5	3.6	3.1	3.6	3.5
Commercial	4.0	4.8	5.1	3.8	4.4	5.7	4.7	6.6
Farm	1.1	1.3	1.6	2.1	2.2	2.1	2.1	2.1
Other private credit	7.7	14.0	18.0	22.6	29.5	25.0	21.6	33.6
Bank loans n.e.c.	2.9	5.2	6.0	8.3	14.2	10.3	9.6	13.4
Consumer credit	1.8	5.8	7.9	8.5	10.0	7.2	4.6	11.1
Open-market paper	1.0	.1	*	.7	–.3	1.0	2.1	1.6
Other	2.0	2.8	4.1	5.1	5.7	6.4	5.2	7.5
Total funds supplied directly	46.9	54.1	57.7	66.9	70.4	68.5	82.6	97.4
U.S. Government	1.6	2.0	1.5	2.8	2.8	4.9	4.6	5.2
U.S. Government credit agencies, net	.4	.1	.1	.4	*	.3	.5	–.2
Funds advanced	1.0	1.6	1.6	.7	2.2	5.1	–.1	3.2
Less funds raised	.7	1.5	1.4	.4	2.3	4.8	–.6	3.5
Federal Reserve System	1.5	2.0	2.9	3.4	3.8	3.5	4.8	3.7
Commercial banks, net	15.7	19.5	19.1	21.8	28.3	16.7	36.8	39.0
Private nonbank finance	23.8	26.6	29.9	31.0	30.1	25.9	36.1	33.5
Savings institutions, net	10.9	12.9	15.5	16.0	13.7	7.8	16.9	14.5
Insurance	13.1	14.4	14.3	15.6	17.9	19.3	20.4	21.5
Finance n.e.c., net	–.2	–.7	.1	–.5	–1.4	–1.3	–1.2	–2.5
Funds advanced	3.3	4.6	5.8	5.5	6.9	5.8	4.4	9.8
Less funds raised	3.5	5.3	5.8	6.1	8.3	7.1	5.6	12.3
Foreign	.8	1.5	.9	.6	–.3	–1.8	2.8	2.5
Private domestic nonfinancial	3.1	2.4	3.4	7.0	5.6	19.1	–3.0	13.8
Business	.5	1.8	2.9	2.0	1.0	3.6	*	9.0
State and local government, general funds	.8	1.2	1.1	.9	2.5	3.4	1.2	.7
Households	3.0	–.8	1.3	4.0	2.5	11.9	–2.0	5.5
Less net security credit	1.3	–.2	2.0	–.2	.3	–.2	2.2	1.4

See footnote at end of table.

TABLE C–52.—*Total funds raised in credit markets by nonfinancial sectors, 1961–69*—Continued

[Billions of dollars]

Nonfinancial sector	1969 unadjusted quarterly totals			1969 seasonally adjusted annual rates		
	I	II	III	I	II	III
Total funds raised	17.0	23.0	20.8	96.3	88.8	100.9
U.S. Government	.2	−10.9	3.4	−.4	−18.7	15.1
Public debt securities	.1	−11.6	4.6	−.4	−22.5	19.2
Budget agency issues	.1	.8	−1.2	−.1	3.8	−4.1
All other sectors	16.8	33.9	17.5	96.7	107.5	85.8
Capital market instruments	12.4	15.4	12.7	56.1	55.9	48.1
Corporate equity shares	*	.4	.2	.2	1.7	1.0
Debt capital instruments	12.3	15.0	12.4	56.0	54.2	47.2
State and local governments	2.5	3.4	1.6	11.5	11.5	6.8
Corporate and foreign bonds	3.8	3.9	3.6	16.3	14.7	13.1
Mortgages	6.0	7.6	7.2	28.2	28.0	27.2
Home	3.4	4.3	4.4	16.3	16.2	15.9
Other residential	.9	1.1	1.0	3.7	4.3	3.9
Commercial	1.3	1.4	1.4	5.9	5.1	5.3
Farm	.5	.7	.5	2.2	2.4	2.1
Other private credit	4.4	18.5	4.8	40.6	51.6	37.6
Bank loans n.e.c	.7	8.3	−1.5	15.1	17.9	5.8
Consumer credit	−1.2	4.0	1.6	9.9	10.4	8.2
Open-market paper	1.7	1.5	1.4	5.7	5.2	5.6
Other	3.2	4.7	3.3	9.8	18.1	18.0
Total funds supplied directly	17.0	23.0	20.8	96.3	88.8	100.9
U.S. Government	1.2	1.4	1.7	5.1	5.9	7.3
U.S. Government credit agencies, net	*	−.1	−.2	−.2	−1.1	−.6
Funds advanced	.9	2.3	2.5	4.8	6.5	11.8
Less funds raised	.9	2.3	2.7	5.0	7.6	12.3
Federal Reserve System	−.5	1.7	*	.1	2.3	3.5
Commercial banks, net	−7.4	9.0	−4.5	4.6	15.3	−.2
Private nonbank finance	8.7	7.5	7.6	31.6	35.8	30.7
Savings institutions, net	4.5	3.0	1.7	16.3	16.2	6.4
Insurance	5.5	4.6	6.2	20.8	21.0	24.5
Finance, n.e.c., net	−1.3	*	−.3	−5.5	−1.4	−.2
Funds advanced	−2.3	5.6	1.6	−6.7	17.1	15.7
Less funds raised	−1.0	5.6	1.9	−1.2	18.5	15.8
Foreign	−.3	−.1	1.8	−.1	.4	5.7
Private domestic nonfinancial	15.2	3.5	14.4	55.2	30.2	54.4
Business	3.6	3.4	3.8	21.2	15.9	22.3
State and local government, general funds	3.5	2.2	−.3	9.3	6.9	4.5
Households	7.3	−2.2	11.3	21.8	6.8	29.1
Less net security credit	−.8	−.1	.3	−2.8	−.6	1.5

Source: Board of Governors of the Federal Reserve System.

TABLE C-53.—*Selected liquid assets held by the public, 1946–69* [1]

[Billions of dollars, seasonally adjusted]

End of year or month	Total	Demand deposits and currency [2]	Time deposits: Commercial banks [3]	Time deposits: Mutual savings banks	Postal savings system	Savings and loan shares	U.S. Government savings bonds [4]	U.S. Government securities maturing within 1 year [4]
1946	239.1	108.5	33.9	16.9	3.3	8.5	48.6	19.4
1947	246.2	112.4	35.3	17.8	3.4	9.7	50.9	16.6
1948	254.1	110.5	35.9	18.4	3.3	11.0	53.4	21.6
1949	262.1	110.4	36.3	19.3	3.2	12.5	55.0	25.5
1950	271.4	115.5	36.6	20.1	2.9	14.0	55.8	26.4
1951	281.0	120.9	38.2	20.9	2.7	16.1	55.4	26.8
1952	296.0	125.5	41.2	22.6	2.5	19.2	55.7	29.3
1953	311.5	127.3	44.6	24.4	2.4	22.8	55.6	34.4
1954	320.3	130.2	48.2	26.3	2.1	27.2	55.6	30.6
1955	332.5	133.3	49.7	28.1	1.9	32.0	55.9	31.6
1956	343.2	134.6	52.0	30.0	1.6	37.0	54.8	33.2
1957	356.0	133.5	57.5	31.6	1.3	41.7	51.6	38.8
1958	373.1	138.8	65.4	33.9	1.1	47.7	50.5	35.6
1959	393.9	139.7	67.4	34.9	.9	54.3	47.9	48.8
1960	399.2	138.4	73.1	36.2	.8	61.8	47.0	41.9
1961	424.6	142.6	82.5	38.3	.6	70.5	47.4	42.6
1962	459.0	144.8	98.1	41.4	.5	79.8	47.6	46.8
1963	495.4	149.6	112.9	44.5	.5	90.9	49.0	48.1
1964	530.5	156.7	127.1	49.0	.4	101.4	49.9	46.1
1965	573.1	164.1	147.1	52.6	.3	109.8	50.5	48.6
1966 [5]	601.5	168.6	159.3	55.2	.1	113.4	50.9	53.9
1967	650.4	180.7	183.1	60.3	....	123.9	51.9	50.5
1968	709.6	[6] 199.2	203.8	64.7	....	131.0	52.5	58.5
1969 [p]	729.0	206.2	195.9	67.1	....	134.7	52.4	72.7
968: Jan	655.8	179.6	186.5	60.6	....	123.6	51.9	53.6
Feb	658.6	178.2	187.6	61.1	....	124.6	51.8	55.4
Mar	665.6	181.7	187.9	61.4	....	125.8	51.8	57.0
Apr	664.6	181.1	187.6	61.7	....	125.9	51.8	56.5
May	667.8	183.9	187.7	62.1	....	126.4	51.8	55.9
June	670.8	186.7	187.9	62.6	....	126.8	51.9	54.9
July	676.5	186.2	191.5	62.8	....	127.2	51.9	56.9
Aug	679.6	185.9	194.0	63.0	....	128.1	52.0	56.6
Sept	684.9	186.4	196.2	63.4	....	129.5	52.0	57.4
Oct	693.1	188.0	200.4	63.8	....	130.0	52.0	58.9
Nov	699.4	190.6	204.7	64.3	....	130.8	52.1	57.0
Dec	709.6	[6] 199.2	203.8	64.7	....	131.0	52.5	58.5
1969: Jan	[7] 703.7	188.8	203.4	64.8	....	131.0	52.5	[7] 63.4
Feb	705.7	189.8	202.9	65.2	....	132.0	52.3	63.4
Mar	713.2	192.4	201.9	65.5	....	133.4	52.2	67.7
Apr	710.0	190.8	200.6	65.7	....	133.3	52.2	67.5
May	714.3	191.5	202.7	66.1	....	133.5	52.2	68.3
June	713.8	194.1	200.4	66.3	....	133.6	52.2	67.3
July	[2] 709.5	[2] 191.8	197.5	66.3	....	133.6	52.2	68.1
Aug	713.1	193.2	195.7	66.4	....	134.1	52.1	71.6
Sept	718.0	194.1	195.6	66.6	....	135.3	52.0	74.6
Oct [p]	714.3	193.6	195.4	66.7	....	134.9	52.0	71.7
Nov [p]	720.6	195.0	197.1	67.0	....	135.3	52.0	74.2
Dec [p]	729.0	206.2	195.9	67.1	....	134.7	52.4	72.7

[1] Excludes holdings of the U.S. Government, Government agencies and trust funds, domestic commercial banks, and Federal Reserve banks. Adjusted wherever possible to avoid double counting.

[2] Agrees in concept with the money supply, Table C–50, except for deduction of demand deposits held by mutual savings banks and savings and loan associations. Data are for last Wednesday of month. Data prior to July 1969 have not been revised to conform to the money supply revision.

[3] Time deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Government (same concept as in Table C–50). Data are for last Wednesday of month, except that June 30 and December 31 call data are used where available.

[4] Excludes holdings of Government agencies and trust funds, domestic commercial and mutual savings banks, Federal Reserve banks, and beginning February 1960, savings and loan associations.

[5] Effective June 1966, balances accumulated for the payment of personal loans (about $1.1 billion) are excluded from time deposits at all commercial banks and from total liquid assets.

[6] Estimates for Tuesday, December 31, rather than last Wednesday of December.

[7] Beginning 1969, data have been adjusted to conform to the new budget concept.

Source: Board of Governors of the Federal Reserve System (except as noted).

TABLE C–54.—*Federal Reserve Bank credit and member bank reserves, 1929–69*

[Averages of daily figures, millions of dollars]

Year and month	Reserve Bank credit outstanding: Total	Reserve Bank credit outstanding: U.S. Government securities	Reserve Bank credit outstanding: Member bank borrowings	Reserve Bank credit outstanding: All other, mainly float	Member bank reserves: Total	Member bank reserves: Required	Member bank reserves: Excess	Member bank free reserves (excess reserves less borrowings)
1929: Dec	1,643	446	801	396	2,395	2,347	48	−753
1930: Dec	1,273	644	337	292	2,415	2,342	73	−264
1931: Dec	1,950	777	763	410	2,069	2,010	60	−703
1932: Dec	2,192	1,854	281	57	2,435	1,909	526	245
1933: Dec	2,669	2,432	95	142	2,588	[1] 1,822	[1] 766	671
1934: Dec	2,472	2,430	10	32	4,037	2,290	1,748	1,738
1935: Dec	2,494	2,430	6	58	5,716	2,733	2,983	2,977
1936: Dec	2,498	2,434	7	57	6,665	4,619	2,046	2,039
1937: Dec	2,628	2,565	16	47	6,879	5,808	1,071	1,055
1938: Dec	2,618	2,564	7	47	8,745	5,520	3,226	3,219
1939: Dec	2,612	2,510	3	99	11,473	6,462	5,011	5,008
1940: Dec	2,305	2,188	3	114	14,049	7,403	6,646	6,643
1941: Dec	2,404	2,219	5	180	12,812	9,422	3,390	3,385
1942: Dec	6,035	5,549	4	482	13,152	10,776	2,376	2,372
1943: Dec	11,914	11,166	90	658	12,749	11,701	1,048	958
1944: Dec	19,612	18,693	265	654	14,168	12,884	1,284	1,019
1945: Dec	24,744	23,708	334	702	16,027	14,536	1,491	1,157
1946: Dec	24,746	23,767	157	822	16,517	15,617	900	743
1947: Dec	22,858	21,905	224	729	17,261	16,275	986	762
1948: Dec	23,978	23,002	134	842	19,990	19,193	797	663
1949: Dec	19,012	18,287	118	607	16,291	15,488	803	685
1950: Dec	21,606	20,345	142	1,119	17,391	16,364	1,027	885
1951: Dec	25,446	23,409	657	1,380	20,310	19,484	826	169
1952: Dec	27,299	24,400	1,593	1,306	21,180	20,457	723	−870
1953: Dec	27,107	25,639	441	1,027	19,920	19,227	693	252
1954: Dec	26,317	24,917	246	1,154	19,279	18,576	703	457
1955: Dec	26,853	24,602	839	1,412	19,240	18,646	594	−245
1956: Dec	27,156	24,765	688	1,703	19,535	18,883	652	−36
1957: Dec	26,186	23,982	710	1,494	19,420	18,843	577	−133
1958: Dec	28,412	26,312	557	1,543	18,899	18,383	516	−41
1959: Dec	29,435	27,036	906	1,493	[2] 18,932	18,450	482	−424
1960: Dec	29,060	27,248	87	1,725	19,283	18,527	756	669
1961: Dec	31,217	29,098	149	1,970	20,118	19,550	568	419
1962: Dec	33,218	30,546	304	2,368	20,040	19,468	572	268
1963: Dec	36,610	33,729	327	2,554	20,746	20,210	536	209
1964: Dec	39,873	37,126	243	2,504	21,609	21,198	411	168
1965: Dec	43,853	40,885	454	2,514	22,719	22,267	452	−2
1966: Dec	46,864	43,760	557	2,547	23,830	23,438	392	−165
1967: Dec	51,268	48,891	238	2,139	25,260	24,915	345	107
1968: Dec	56,610	52,529	765	3,316	27,221	26,766	455	−310
1969: Dec p	64,083	57,500	1,087	5,496	28,012	27,774	238	−849
1968: Jan	51,287	49,046	237	2,004	25,834	25,453	381	144
Feb	50,873	48,930	361	1,582	25,610	25,211	399	38
Mar	51,863	49,511	671	1,681	25,580	25,224	356	−315
Apr	52,509	50,090	683	1,736	25,546	25,276	270	−413
May	52,998	50,581	746	1,671	25,505	25,085	420	−326
June	53,813	51,306	692	1,815	25,713	25,362	351	−341
July	54,573	52,090	525	1,958	26,001	25,702	299	−226
Aug	55,048	52,646	565	1,837	26,069	25,694	375	−190
Sept	54,778	52,222	515	2,041	26,077	25,694	383	−132
Oct	55,770	53,300	427	2,043	26,653	26,393	260	−167
Nov	56,189	53,388	569	2,232	26,785	26,461	324	−245
Dec	56,610	52,529	765	3,316	27,221	26,766	455	−310
1969: Jan	56,476	52,665	697	3,114	28,063	27,846	217	−480
Feb	55,786	52,265	824	2,697	27,291	27,063	228	−596
Mar	55,477	52,122	918	2,437	26,754	26,537	217	−701
Apr	58,821	52,463	996	5,362	27,079	26,927	152	−844
May	59,999	53,390	1,402	5,207	27,903	27,603	300	−1,102
June	60,565	54,028	1,407	5,130	27,317	26,974	343	−1,064
July	60,887	54,298	1,190	5,399	26,980	26,864	116	−1,074
Aug	60,876	54,599	1,249	5,028	27,079	26,776	303	−946
Sept	60,459	53,840	1,067	5,552	26,971	26,735	236	−831
Oct	61,516	54,708	1,135	5,673	27,340	27,197	143	−992
Nov	62,767	56,499	1,241	5,027	27,764	27,511	253	−988
Dec p	64,083	57,500	1,087	5,496	28,012	27,774	238	−849

[1] Data from March 1933 through April 1934 are for licensed banks only.
[2] Beginning December 1959, total reserves held include vault cash allowed.

Source: Board of Governors of the Federal Reserve System.

Table C-55.—*Bond yields and interest rates, 1929–69*

[Percent per annum]

Year or month	U.S. Government securities				Corporate bonds (Moody's)		High-grade municipal bonds (Standard & Poor's)	Average rate on short-term bank loans to business—selected cities	Prime commercial paper, 4–6 months	Federal Reserve Bank discount rate	FHA new home mortgage yields [5]
	3-month Treasury bills [1]	9–12 month issues [2]	3–5 year issues [3]	Taxable bonds [4]	Aaa	Baa					
1929	(6)				4.73	5.90	4.27	(7)	5.85	5.16	
1930	(6)				4.55	5.90	4.07	(7)	3.59	3.04	
1931	1.402				4.58	7.62	4.01	(7)	2.64	2.11	
1932	.879				5.01	9.30	4.65	(7)	2.73	2.82	
1933	.515		2.66		4.49	7.76	4.71	(7)	1.73	2.56	
1934	.256		2.12		4.00	6.32	4.03	(7)	1.02	1.54	
1935	.137		1.29		3.60	5.75	3.41	(7)	.75	1.50	
1936	.143		1.11		3.24	4.77	3.07	(7)	.75	1.50	
1937	.447		1.40		3.26	5.03	3.10	(7)	.94	1.33	
1938	.053		.83		3.19	5.80	2.91	(7)	.81	1.00	
1939	.023		.59		3.01	4.96	2.76	2.1	.59	1.00	
1940	.014		.50		2.84	4.75	2.50	2.1	.56	1.00	
1941	.103		.73		2.77	4.33	2.10	2.0	.53	1.00	
1942	.326		1.46	2.46	2.83	4.28	2.36	2.2	.66	[8] 1.00	
1943	.373	0.75	1.34	2.47	2.73	3.91	2.06	2.6	.69	[8] 1.00	
1944	.375	.79	1.33	2.48	2.72	3.61	1.86	2.4	.73	[8] 1.00	
1945	.375	.81	1.18	2.37	2.62	3.29	1.67	2.2	.75	[8] 1.00	
1946	.375	.82	1.16	2.19	2.53	3.05	1.64	2.1	.81	[8] 1.00	
1947	.594	.88	1.32	2.25	2.61	3.24	2.01	2.1	1.03	1.00	
1948	1.040	1.14	1.62	2.44	2.82	3.47	2.40	2.5	1.44	1.34	
1949	1.102	1.14	1.43	2.31	2.66	3.42	2.21	2.68	1.49	1.50	4.34
1950	1.218	1.26	1.50	2.32	2.62	3.24	1.98	2.69	1.45	1.59	4.17
1951	1.552	1.73	1.93	2.57	2.86	3.41	2.00	3.11	2.16	1.75	4.21
1952	1.766	1.81	2.13	2.68	2.96	3.52	2.19	3.49	2.33	1.75	4.29
1953	1.931	2.07	2.56	2.94	3.20	3.74	2.72	3.69	2.52	1.99	4.61
1954	.953	.92	1.82	2.55	2.90	3.51	2.37	3.61	1.58	1.60	4.62
1955	1.753	1.89	2.50	2.84	3.06	3.53	2.53	3.70	2.18	1.89	4.64
1956	2.658	2.83	3.12	3.08	3.36	3.88	2.93	4.20	3.31	2.77	4.79
1957	3.267	3.53	3.62	3.47	3.89	4.71	3.60	4.62	3.81	3.12	5.42
1958	1.839	2.09	2.90	3.43	3.79	4.73	3.56	4.34	2.46	2.16	5.49
1959	3.405	4.11	4.33	4.08	4.38	5.05	3.95	[9] 5.00	3.97	3.36	5.71
1960	2.928	3.55	3.99	4.02	4.41	5.19	3.73	5.16	3.85	3.53	6.18
1961	2.378	2.91	3.60	3.90	4.35	5.08	3.46	4.97	2.97	3.00	5.80
1962	2.778	3.02	3.57	3.95	4.33	5.02	3.18	5.00	3.26	3.00	5.61
1963	3.157	3.28	3.72	4.00	4.26	4.86	3.23	5.01	3.55	3.23	5.47
1964	3.549	3.76	4.06	4.15	4.40	4.83	3.22	4.99	3.97	3.55	5.45
1965	3.954	4.09	4.22	4.21	4.49	4.87	3.27	5.06	4.38	4.04	5.46
1966	4.881	5.17	5.16	4.65	5.13	5.67	3.82	6.00	5.55	4.50	6.29
1967	4.321	4.84	5.07	4.85	5.51	6.23	3.96	[10] 6.00	5.10	4.19	6.55
1968	5.339	5.62	5.59	5.26	6.18	6.94	4.51	6.68	5.90	5.17	7.13
1969	6.677	7.06	6.85	6.12	7.03	7.81	5.81	8.21	7.83	5.87	8.19
1967: Jan	4.759	4.71	4.71	4.40	5.20	5.97	3.58		5.73	4.50	6.77
Feb	4.554	4.64	4.73	4.47	5.03	5.82	3.56	[10] 6.13	5.38	4.50	6.62
Mar	4.288	4.35	4.52	4.45	5.13	5.85	3.60		5.24	4.50	6.46
Apr	3.852	4.03	4.46	4.51	5.11	5.83	3.66		4.83	4.10	6.35
May	3.640	4.09	4.68	4.76	5.24	5.96	3.92	5.95	4.67	4.00	6.29
June	3.480	4.40	4.96	4.86	5.44	6.15	3.99		4.65	4.00	6.44
July	4.308	4.98	5.17	4.86	5.58	6.26	4.05		4.92	4.00	6.51
Aug	4.275	5.10	5.28	4.95	5.62	6.33	4.03	5.95	5.00	4.00	6.53
Sept	4.451	5.21	5.40	4.99	5.65	6.40	4.15		5.00	4.00	6.60
Oct	4.588	5.32	5.52	5.19	5.82	6.52	4.31		5.07	4.00	6.63
Nov	4.762	5.55	5.73	5.44	6.07	6.72	4.36	5.96	5.28	4.18	6.65
Dec	5.012	5.69	5.72	5.36	6.19	6.93	4.49		5.56	4.50	6.77

See footnotes at end of table.

TABLE C-55.—*Bond yields and interest rates, 1929–69*—Continued

[Percent per annum]

Year or month	U.S. Government securities: 3-month Treasury bills [1]	U.S. Government securities: 9–12 month issues [2]	U.S. Government securities: 3–5 year issues [3]	U.S. Government securities: Taxable bonds [4]	Corporate bonds (Moody's): Aaa	Corporate bonds (Moody's): Baa	High-grade municipal bonds (Standard & Poor's)	Average rate on short-term bank loans to business—selected cities	Prime commercial paper, 4–6 months	Federal Reserve Bank discount rate	FHA new home mortgage yields [5]
1968: Jan	5.081	5.39	5.53	5.18	6.17	6.84	4.34	--------	5.60	4.50	6.81
Feb	4.969	5.37	5.59	5.16	6.10	6.80	4.39	6.36	5.50	4.50	6.81
Mar	5.144	5.55	5.77	5.39	6.11	6.85	4.56	--------	5.64	4.66	6.78
Apr	5.365	5.63	5.69	5.28	6.21	6.97	4.41	--------	5.81	5.20	6.83
May	5.621	6.06	5.95	5.40	6.27	7.03	4.56	6.84	6.18	5.50	6.94
June	5.544	6.01	5.71	5.23	6.28	7.07	4.56	--------	6.25	5.50	--------
July	5.382	5.68	5.44	5.09	6.24	6.98	4.36	--------	6.19	5.50	7.52
Aug	5.095	5.41	5.32	5.04	6.02	6.82	4.31	6.89	5.88	5.48	7.42
Sept	5.202	5.40	5.30	5.09	5.97	6.79	4.47	--------	5.82	5.25	7.35
Oct	5.334	5.44	5.42	5.24	6.09	6.84	4.56	--------	5.80	5.25	7.28
Nov	5.492	5.56	5.47	5.36	6.19	7.01	4.68	6.61	5.92	5.25	7.29
Dec	5.916	6.00	5.99	5.66	6.45	7.23	4.91	--------	6.17	5.36	7.36
1969: Jan	6.177	6.26	6.04	5.74	6.59	7.32	4.95	--------	6.53	5.50	7.50
Feb	6.156	6.21	6.16	5.86	6.66	7.30	5.10	7.32	6.62	5.50	--------
Mar	6.080	6.22	6.33	6.05	6.85	7.51	5.34	--------	6.82	5.50	7.99
Apr	6.150	6.11	6.15	5.84	6.89	7.54	5.29	--------	7.04	5.95	8.05
May	6.077	6.26	6.33	5.85	6.79	7.52	5.47	7.86	7.35	6.00	8.06
June	6.493	7.07	6.64	6.05	6.98	7.70	5.83	--------	8.23	6.00	8.06
July	7.004	7.59	7.02	6.07	7.08	7.84	5.84	--------	8.65	6.00	8.35
Aug	7.007	7.51	7.08	6.02	6.97	7.86	6.07	8.82	8.33	6.00	8.36
Sept	7.129	7.76	7.58	6.32	7.14	8.05	6.35	--------	8.48	6.00	8.36
Oct	7.040	7.63	7.47	6.27	7.33	8.22	6.21	--------	8.57	6.00	8.40
Nov	7.193	7.94	7.57	6.52	7.35	8.25	6.37	8.83	8.46	6.00	8.48
Dec	7.720	8.34	7.98	6.81	7.72	8.65	6.91	--------	8.84	6.00	8.48

[1] Rate on new issues within period. Issues were tax exempt prior to March 1, 1941, and fully taxable thereafter. For the period 1934–37, series includes issues with maturities of more than 3 months.

[2] Certificates of indebtedness and selected note and bond issues (fully taxable).

[3] Selected note and bond issues. Issues were partially tax exempt prior to 1941, and fully taxable thereafter.

[4] First issued in 1941. Series includes bonds which are neither due nor callable before a given number of years as follows: April 1953 to date, 10 years; April 1952–March 1953, 12 years; October 1941–March 1952, 15 years.

[5] Data for first of the month, based on the maximum permissible interest rate (7½ percent beginning late January 1969). Thru July 1961, computed on 25-year mortgages paid in 12 years and thereafter, 30-year mortgages prepaid in 15 years.

[6] Treasury bills were first issued in December 1929 and were issued irregularly in 1930.

[7] Not available on same basis as for 1939 and subsequent years.

[8] From October 30, 1942, to April 24, 1946, a preferential rate of 0.50 percent was in effect for advances secured by Government securities maturing in 1 year or less.

[9] Beginning 1959, series revised to exclude loans to nonbank financial institutions.

[10] Beginning February 1967, series revised to incorporate changes in coverage, in the sample of reporting banks, and in the reporting period (shifted to the middle month of the quarter).

Note.—Yields and rates computed for New York City except for short-term bank loans.

Sources: Treasury Department, Board of Governors of the Federal Reserve System, Moody's Investors Service, Standard & Poor's Corporation, and Federal Housing Administration.

TABLE C–56.—*Short- and intermediate-term consumer credit outstanding, 1929–69*

[Millions of dollars]

End of year or month	Total	Instalment credit: Total	Instalment credit: Automobile paper	Instalment credit: Other consumer goods paper	Instalment credit: Repair and modernization loans [1]	Instalment credit: Personal loans	Noninstalment credit: Total	Noninstalment credit: Charge accounts	Noninstalment credit: Other [2]	Addendum: Policy loans by life insurance companies [3]
1929	7,116	3,524	1,384	1,544	27	569	3,592	1,996	1,596	2,379
1930	6,351	3,022	986	1,432	25	579	3,329	1,833	1,496	2,807
1931	5,315	2,463	684	1,214	22	543	2,852	1,635	1,217	3,369
1932	4,026	1,672	356	834	18	464	2,354	1,374	980	3,806
1933	3,885	1,723	493	799	15	416	2,162	1,286	876	3,769
1934	4,218	1,999	614	889	37	459	2,219	1,306	913	3,658
1935	5,190	2,817	992	1,000	253	572	2,373	1,354	1,019	3,540
1936	6,375	3,747	1,372	1,290	364	721	2,628	1,428	1,200	3,411
1937	6,948	4,118	1,494	1,505	219	900	2,830	1,504	1,326	3,399
1938	6,370	3,686	1,099	1,442	218	927	2,684	1,403	1,281	3,389
1939	7,222	4,503	1,497	1,620	298	1,088	2,719	1,414	1,305	3,248
1940	8,338	5,514	2,071	1,827	371	1,245	2,824	1,471	1,353	3,091
1941	9,172	6,085	2,458	1,929	376	1,322	3,087	1,645	1,442	2,919
1942	5,983	3,166	742	1,195	255	974	2,817	1,444	1,373	2,683
1943	4,901	2,136	355	819	130	832	2,765	1,440	1,325	2,373
1944	5,111	2,176	397	791	119	869	2,935	1,517	1,418	2,134
1945	5,665	2,462	455	816	182	1,009	3,203	1,612	1,591	1,962
1946	8,384	4,172	981	1,290	405	1,496	4,212	2,076	2,136	1,894
1947	11,598	6,695	1,924	2,143	718	1,910	4,903	2,381	2,522	1,937
1948	14,447	8,996	3,018	2,901	853	2,224	5,451	2,722	2,729	2,057
1949	17,364	11,590	4,555	3,706	898	2,431	5,774	2,854	2,920	2,240
1950	21,471	14,703	6,074	4,799	1,016	2,814	6,768	3,367	3,401	2,413
1951	22,712	15,294	5,972	4,880	1,085	3,357	7,418	3,700	3,718	2,590
1952	27,520	19,403	7,733	6,174	1,385	4,111	8,117	4,130	3,987	2,713
1953	31,393	23,005	9,835	6,779	1,610	4,781	8,388	4,274	4,114	2,914
1954	32,464	23,568	9,809	6,751	1,616	5,392	8,896	4,485	4,411	3,127
1955	38,830	28,906	13,460	7,641	1,693	6,112	9,924	4,795	5,129	3,290
1956	42,334	31,720	14,420	8,606	1,905	6,789	10,614	4,995	5,619	3,519
1957	44,971	33,868	15,340	8,844	2,101	7,582	11,103	5,146	5,957	3,869
1958	45,129	33,642	14,152	9,028	2,346	8,116	11,487	5,060	6,427	4,188
1959	51,544	39,247	16,420	10,631	2,809	9,386	12,297	5,104	7,193	4,618
1960	56,141	42,968	17,658	11,545	3,148	10,617	13,173	5,329	7,844	5,231
1961	57,982	43,891	17,135	11,862	3,221	11,673	14,091	5,324	8,767	5,733
1962	63,821	48,720	19,381	12,627	3,298	13,414	15,101	5,684	9,417	6,234
1963	71,739	55,486	22,254	14,177	3,437	15,618	16,253	5,903	10,350	6,655
1964	80,268	62,692	24,934	16,333	3,577	17,848	17,576	6,195	11,381	7,140
1965	90,314	71,324	28,619	18,565	3,728	20,412	18,990	6,430	12,560	7,678
1966	97,543	77,539	30,556	20,978	3,818	22,187	20,004	6,686	13,318	9,117
1967	102,132	80,926	30,724	22,395	3,789	24,018	21,206	6,968	14,238	10,059
1968	113,191	89,890	34,130	24,899	3,925	26,936	23,301	7,755	15,546	11,219
1969 [4]	122,200	98,100	36,800	27,300	4,000	30,000	24,100	8,100	16,000	-------
1968: Jan	101,260	80,379	30,579	22,117	3,734	23,949	20,881	6,424	14,457	10,140
Feb	100,771	80,233	30,682	21,767	3,708	24,076	20,538	5,859	14,679	10,224
Mar	100,981	80,474	30,942	21,644	3,688	24,200	20,507	5,710	14,797	10,336
Apr	102,257	81,328	31,331	21,841	3,697	24,459	20,929	6,026	14,903	10,445
May	103,411	82,312	31,818	22,011	3,746	24,737	21,099	6,276	14,823	10,569
June	104,620	83,433	32,364	22,248	3,769	25,052	21,187	6,368	14,819	10,697
July	105,680	84,448	32,874	22,452	3,808	25,314	21,232	6,457	14,775	10,824
Aug	107,090	85,684	33,325	22,777	3,857	25,725	21,406	6,574	14,832	10,942
Sept	107,636	86,184	33,336	22,988	3,881	25,979	21,452	6,550	14,902	11,042
Oct	108,643	87,058	33,698	23,248	3,910	26,202	21,585	6,692	14,893	11,134
Nov	110,035	87,953	33,925	23,668	3,931	26,429	22,082	6,964	15,118	11,197
Dec	113,191	89,890	34,130	24,899	3,925	26,936	23,301	7,755	15,546	11,284
1969: Jan	112,117	89,492	34,013	24,682	3,886	26,911	22,625	7,097	15,528	11,399
Feb	111,569	89,380	34,053	24,404	3,875	27,048	22,189	6,403	15,786	11,525
Mar	111,950	89,672	34,262	24,306	3,874	27,230	22,278	6,340	15,938	11,699
Apr	113,231	90,663	34,733	24,399	3,903	27,628	22,568	6,557	16,011	11,903
May	114,750	91,813	35,230	24,636	3,964	27,983	22,937	6,971	15,966	12,090
June	115,995	93,087	35,804	24,956	4,022	28,305	22,908	7,002	15,906	12,323
July	116,597	93,833	36,081	25,172	4,039	28,541	22,764	7,039	15,725	12,652
Aug	117,380	94,732	36,245	25,467	4,063	28,957	22,648	6,988	15,660	12,921
Sept	118,008	95,356	36,321	25,732	4,096	29,207	22,652	7,005	15,647	13,172
Oct	118,515	95,850	36,599	25,855	4,084	29,312	22,665	7,085	15,580	13,406
Nov	119,378	96,478	36,650	26,223	4,076	29,529	22,900	7,238	15,662	13,580
Dec [4]	122,200	98,100	36,800	27,300	4,000	30,000	24,100	8,100	16,000	-------

[1] Holdings of financial institutions only; holdings of retail outlets are included in "other consumer goods paper."
[2] Single-payment loans and service credit.
[3] Year-end figures are annual statement asset values; month-end figures are book value of ledger assets. These loans are not included in consumer credit series.
[4] Preliminary; December by Council of Economic Advisers.

Sources: Board of Governors of the Federal Reserve System and Institute of Life Insurance (except as noted).

TABLE C–57.—*Instalment credit extended and repaid, 1946–69*

[Millions of dollars]

Year or month	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	Extended	Repaid	Extended	Repaid	Extended	Repaid	Extended	Repaid	Extended	Repaid
1946	8,495	6,785	1,969	1,443	3,077	2,603	423	200	3,026	2,539
1947	12,713	10,190	3,692	2,749	4,498	3,645	704	391	3,819	3,405
1948	15,585	13,284	5,217	4,123	5,383	4,625	714	579	4,271	3,957
1949	18,108	15,514	6,967	5,430	5,865	5,060	734	689	4,542	4,335
1950	21,558	18,445	8,530	7,011	7,150	6,057	835	717	5,043	4,660
1951	23,576	22,985	8,956	9,058	7,485	7,404	841	772	6,294	5,751
1952	29,514	25,405	11,764	10,003	9,186	7,892	1,217	917	7,347	6,593
1953	31,558	27,956	12,981	10,879	9,227	8,622	1,344	1,119	8,006	7,336
1954	31,051	30,488	11,807	11,833	9,117	9,145	1,261	1,255	8,866	8,255
1955	38,972	33,634	16,734	13,082	10,642	9,752	1,393	1,316	10,203	9,484
1956	39,866	37,056	15,515	14,555	11,721	10,758	1,582	1,370	11,051	10,373
1957	42,019	39,870	16,465	15,545	11,810	11,574	1,674	1,477	12,069	11,276
1958	40,110	40,339	14,226	15,415	11,738	11,557	1,871	1,626	12,275	11,741
1959	48,048	42,603	17,779	15,579	13,981	12,402	2,222	1,765	14,070	12,857
1960	49,793	46,073	17,657	16,419	14,525	13,613	2,215	1,876	15,396	14,165
1961	49,048	48,124	16,029	16,552	14,551	14,235	2,092	2,015	16,377	15,319
1962	56,191	51,360	19,694	17,447	15,701	14,935	2,084	2,010	18,710	16,969
1963	63,591	56,825	22,126	19,254	17,920	16,369	2,186	2,046	21,359	19,156
1964	70,670	63,470	24,046	21,369	20,821	18,666	2,225	2,086	23,578	21,349
1965	78,586	69,957	27,227	23,543	22,750	20,518	2,266	2,116	26,343	23,780
1966	82,335	76,120	27,341	25,404	25,591	23,178	2,200	2,110	27,203	25,428
1967	84,693	81,306	26,667	26,499	26,952	25,535	2,113	2,142	28,961	27,130
1968	97,053	88,089	31,424	28,018	30,593	28,089	2,268	2,132	32,768	29,850
1969 [1]	102,800	94,600	32,500	29,900	32,800	30,400	2,300	2,200	35,200	32,100
	Seasonally adjusted									
1968: Jan	7,453	7,054	2,385	2,254	2,339	2,223	169	182	2,560	2,395
Feb	7,847	7,111	2,559	2,275	2,458	2,269	184	173	2,646	2,394
Mar	7,903	7,281	2,605	2,316	2,531	2,372	183	185	2,584	2,408
Apr	7,863	7,222	2,509	2,297	2,597	2,340	189	176	2,568	2,409
May	8,033	7,301	2,590	2,327	2,535	2,312	197	184	2,711	2,478
June	8,003	7,287	2,570	2,289	2,536	2,324	179	175	2,718	2,499
July	8,247	7,390	2,673	2,352	2,622	2,374	195	181	2,757	2,483
Aug	8,187	7,253	2,684	2,327	2,483	2,209	185	170	2,835	2,547
Sept	8,416	7,701	2,783	2,482	2,560	2,428	196	179	2,877	2,612
Oct	8,533	7,586	2,782	2,391	2,645	2,451	202	177	2,904	2,567
Nov	8,288	7,454	2,681	2,363	2,640	2,388	191	175	2,776	2,528
Dec	8,277	7,502	2,592	2,357	2,656	2,422	192	175	2,837	2,548
1969: Jan	8,371	7,730	2,661	2,467	2,654	2,442	179	173	2,877	2,648
Feb	8,414	7,616	2,716	2,468	2,598	2,352	201	172	2,899	2,624
Mar	8,381	7,735	2,730	2,501	2,625	2,461	198	180	2,828	2,593
Apr	8,720	7,960	2,772	2,519	2,763	2,569	219	185	2,966	2,687
May	8,680	7,834	2,757	2,488	2,767	2,507	209	183	2,947	2,656
June	8,705	7,910	2,725	2,460	2,869	2,602	218	183	2,893	2,665
July	8,521	7,899	2,582	2,471	2,777	2,511	185	191	2,977	2,726
Aug	8,680	8,080	2,634	2,562	2,819	2,574	177	185	3,050	2,759
Sept	8,669	7,971	2,794	2,498	2,740	2,600	180	156	2,955	2,717
Oct	8,661	7,992	2,808	2,463	2,707	2,615	175	189	2,971	2,725
Nov	8,632	8,012	2,683	2,503	2,841	2,623	164	179	2,944	2,707
Dec [1]	8,650	8,050	2,650	2,500	2,800	2,600	200	200	3,000	2,750

[1] Preliminary; December by Council of Economic Advisers.

Source: Board of Governors of the Federal Reserve System (except as noted).

TABLE C-58.—*Mortgage debt outstanding, by type of property and of financing, 1939–69*

[Billions of dollars]

End of year or quarter	All properties	Farm properties	Nonfarm properties				Nonfarm properties by type of mortgage					
							FHA-VA underwritten				Conventional [2]	
								1- to 4-family houses				
			Total	1- to 4-family houses	Multifamily	Commercial properties [1]	Total	Total	FHA insured	VA guaranteed	Total	1- to 4-family houses
1939	35.5	6.6	28.9	16.3	5.6	7.0	1.8	1.8	1.8	------	27.1	14.5
1940	36.5	6.5	30.0	17.4	5.7	6.9	2.3	2.3	2.3	------	27.7	15.1
1941	37.6	6.4	31.2	18.4	5.9	7.0	3.0	3.0	3.0	------	28.2	15.4
1942	36.7	6.0	30.8	18.2	5.8	6.7	3.7	3.7	3.7	------	27.1	14.5
1943	35.3	5.4	29.9	17.8	5.8	6.3	4.1	4.1	4.1	------	25.8	13.7
1944	34.7	4.9	29.7	17.9	5.6	6.2	4.2	4.2	4.2	------	25.5	13.7
1945	35.5	4.8	30.8	18.6	5.7	6.4	4.3	4.3	4.1	0.2	26.5	14.3
1946	41.8	4.9	36.9	23.0	6.1	7.7	6.3	6.1	3.7	2.4	30.6	16.9
1947	48.9	5.1	43.9	28.2	6.6	9.1	9.8	9.3	3.8	5.5	34.1	18.9
1948	56.2	5.3	50.9	33.3	7.5	10.2	13.6	12.5	5.3	7.2	37.3	20.8
1949	62.7	5.6	57.1	37.6	8.6	10.8	18.1	15.0	6.9	8.1	39.0	22.6
1950	72.8	6.1	66.7	45.2	10.1	11.5	22.1	18.9	8.6	10.3	44.6	26.3
1951	82.3	6.7	75.6	51.7	11.5	12.5	26.6	22.9	9.7	13.2	49.0	28.8
1952	91.4	7.2	84.2	58.5	12.3	13.4	29.3	25.4	10.8	14.6	54.9	33.1
1953	101.3	7.7	93.6	66.1	12.9	14.5	32.1	28.1	12.0	16.1	61.5	38.0
1954	113.7	8.2	105.4	75.7	13.5	16.3	36.2	32.1	12.8	19.3	69.2	43.6
1955	129.9	9.0	120.9	88.2	14.3	18.3	42.9	38.9	14.3	24.6	78.0	49.3
1956	144.5	9.8	134.6	99.0	14.9	20.7	47.8	43.9	15.5	28.4	86.8	55.1
1957	156.5	10.4	146.1	107.6	15.3	23.2	51.6	47.2	16.5	30.7	94.5	60.4
1958	171.8	11.1	160.7	117.7	16.8	26.1	55.2	50.1	19.7	30.4	105.5	67.6
1959	190.8	12.1	178.7	130.9	18.7	29.2	59.2	53.8	23.8	30.0	119.4	77.0
1960	206.8	12.8	194.0	141.3	20.3	32.4	62.3	56.4	26.7	29.7	131.7	84.8
1961	226.2	13.9	212.3	153.0	22.9	36.4	65.5	59.1	29.5	29.6	146.9	93.9
1962	248.6	15.2	233.4	166.5	25.8	41.1	69.4	62.2	32.3	29.9	164.0	104.3
1963	274.3	16.8	257.4	182.2	29.0	46.2	73.4	65.9	35.0	30.9	184.0	116.3
1964	300.1	18.9	281.2	197.6	33.6	50.0	77.2	69.2	38.3	30.9	204.0	128.3
1965	325.8	21.2	304.6	212.9	37.2	54.5	81.2	73.1	42.0	31.1	223.4	139.8
1966	347.4	23.3	324.1	223.6	40.3	60.1	84.1	76.1	44.8	31.3	240.0	147.5
1967 p	370.2	25.5	344.8	236.1	43.9	64.8	88.2	79.9	47.4	32.5	256.6	156.1
1968 p	397.5	27.5	370.0	251.2	47.3	71.4	93.4	84.4	50.6	33.8	276.6	166.8
1969 p	424.7	29.6	395.0	266.8	51.7	76.5	------	------	------	------	------	------
1966: I	331.9	21.8	310.2	216.2	38.2	55.8	82.1	74.1	43.0	31.1	228.1	142.1
II	338.7	22.5	316.2	219.6	39.1	57.5	82.7	74.7	43.7	31.0	233.5	145.0
III	343.6	23.0	320.6	221.9	39.7	59.0	83.4	75.4	44.4	31.0	237.2	146.5
IV	347.4	23.3	324.1	223.6	40.3	60.1	84.1	76.1	44.8	31.3	240.0	147.5
1967: I p	350.5	23.7	326.8	224.9	41.0	60.9	84.5	76.4	45.2	31.2	242.3	148.4
II p	356.2	24.3	331.9	227.8	41.9	62.2	85.3	77.2	45.7	31.5	246.6	150.6
III p	363.3	24.9	338.3	232.0	42.8	63.5	86.4	78.3	46.6	31.7	251.9	153.7
IV p	370.2	25.5	344.8	236.1	43.9	64.8	88.2	79.9	47.4	32.5	256.6	156.1
1968: I p	375.8	26.0	349.8	239.1	44.6	66.1	89.4	81.0	48.1	32.9	260.4	158.1
II p	382.9	26.7	356.1	243.2	45.3	67.6	90.7	82.1	48.7	33.4	265.4	161.1
III p	389.8	27.2	362.6	247.0	46.2	69.3	92.0	83.2	49.6	33.6	270.6	163.8
IV p	397.5	27.5	370.0	251.2	47.3	71.4	93.4	84.4	50.6	33.8	276.6	166.8
1969: I p	403.7	28.1	375.7	254.8	48.3	72.6	94.5	85.3	51.4	33.9	281.2	169.6
II p	411.7	28.8	382.9	259.5	49.4	74.0	96.6	87.1	52.2	34.9	286.3	172.3
III p	418.5	29.3	389.2	263.4	50.6	75.2	98.5	88.9	53.4	35.5	290.7	174.6
IV p	424.7	29.6	395.0	266.8	51.7	76.5	------	------	------	------	------	------

[1] Includes negligible amount of farm loans held by savings and loan associations.
[2] Derived figures.

Source: Board of Governors of the Federal Reserve System, estimated and compiled from data supplied by various Government and private organizations.

TABLE C–59.—*Mortgage debt outstanding, by lender, 1939–69*

[Billions of dollars]

End of year or quarter	Total	Selected financial institutions					Other lenders	
		Total	Savings and loan associations	Mutual savings banks	Commercial banks [1]	Life insurance companies	U.S. agencies [2]	Individuals and others
1939	35.5	18.6	3.8	4.8	4.3	5.7	5.0	11.9
1940	36.5	19.5	4.1	4.9	4.6	6.0	4.9	12.0
1941	37.6	20.7	4.6	4.8	4.9	6.4	4.7	12.2
1942	36.7	20.7	4.6	4.6	4.7	6.7	4.3	11.7
1943	35.3	20.2	4.6	4.4	4.5	6.7	3.6	11.5
1944	34.7	20.2	4.8	4.3	4.4	6.7	3.0	11.5
1945	35.5	21.0	5.4	4.2	4.8	6.6	2.4	12.1
1946	41.8	26.0	7.1	4.4	7.2	7.2	2.0	13.8
1947	48.9	31.8	8.9	4.9	9.4	8.7	1.8	15.3
1948	56.2	37.8	10.3	5.8	10.9	10.8	1.9	16.5
1949	62.7	42.9	11.6	6.7	11.6	12.9	2.4	17.4
1950	72.8	51.7	13.7	8.3	13.7	16.1	2.7	18.4
1951	82.3	59.5	15.6	9.9	14.7	19.3	3.4	19.4
1952	91.4	66.9	18.4	11.4	15.9	21.3	4.0	20.5
1953	101.3	75.1	22.0	12.9	16.9	23.3	4.4	21.8
1954	113.7	85.7	26.1	15.0	18.6	26.0	4.6	23.4
1955	129.9	99.3	31.4	17.5	21.0	29.4	5.2	25.4
1956	144.5	111.2	35.7	19.7	22.7	33.0	6.0	27.3
1957	156.5	119.7	40.0	21.2	23.3	35.2	7.4	29.3
1958	171.8	131.5	45.6	23.3	25.5	37.1	7.8	32.5
1959	190.8	145.5	53.1	25.0	28.1	39.2	10.0	35.4
1960	206.8	157.6	60.1	26.9	28.8	41.8	11.2	38.0
1961	226.2	172.6	68.8	29.1	30.4	44.2	11.8	41.8
1962	248.6	192.5	78.8	32.3	34.5	46.9	12.2	44.0
1963	274.3	217.1	90.9	36.2	39.4	50.5	11.2	45.9
1964	300.1	241.0	101.3	40.6	44.0	55.2	11.4	47.7
1965	325.8	264.6	110.3	44.6	49.7	60.0	12.4	48.7
1966	347.4	280.8	114.4	47.3	54.4	64.6	15.8	50.9
1967 p	370.2	298.8	121.8	50.5	59.0	67.5	18.4	53.0
1968 p	397.5	319.9	130.8	53.5	65.7	70.0	21.7	55.8
1969 p	424.7	339.1	140.2	55.8	70.9	72.1	26.8	58.8
1966: I	331.9	269.6	112.3	45.4	50.7	61.2	13.5	48.8
II	338.7	274.7	114.0	45.9	52.3	62.5	14.4	49.6
III	343.6	278.2	114.4	46.6	53.6	63.6	15.2	50.2
IV	347.4	280.8	114.4	47.3	54.4	64.6	15.8	50.9
1967: I p	350.5	282.9	114.8	48.1	54.5	65.5	16.4	51.3
II p	356.2	287.6	116.9	48.9	55.7	66.1	16.7	51.9
III p	363.3	293.3	119.5	49.7	57.5	66.6	17.5	52.5
IV p	370.2	298.8	121.8	50.5	59.0	67.5	18.4	53.0
1968: I p	375.8	302.6	123.3	51.2	60.1	68.0	19.6	53.5
II p	382.9	308.1	125.9	51.8	62.0	68.4	20.6	54.2
III p	389.8	313.5	128.3	52.5	63.8	68.9	21.1	55.1
IV p	397.5	319.9	130.8	53.5	65.7	70.0	21.7	55.8
1969: I p	403.7	324.7	133.0	54.2	67.1	70.4	22.6	56.4
II p	411.7	331.0	136.2	54.8	69.1	70.9	23.4	57.2
III p	418.5	335.5	138.6	55.4	70.2	71.3	24.9	58.1
IV p	424.7	339.1	140.2	55.8	70.9	72.1	26.8	58.8

[1] Includes loans held by nondeposit trust companies, but not bank trust departments.

[2] Includes former FNMA and new GNMA, as well as FHA, VA, PHA, Farmers' Home Administration and in earlier years RFC, HOLC, and FFMC. Also includes U.S.-sponsored agencies such as new FNMA and Federal Land Banks. Other U.S. agencies (amounts small or current separate data not readily available) included with "individuals and others."

Sources: Board of Governors of the Federal Reserve System, based on data from various Government and private organizations.

TABLE C-60.—*Net public and private debt, 1929–68* [1]

[Billions of dollars]

End of year	Total	Public			Private							
							Individual and noncorporate					
									Nonfarm			
		Federal [2]	Federal financial agencies [3]	State and local	Total	Corporate	Total	Farm [4]	Total	Mortgage	Commercial and financial [5]	Consumer
1929	191.9	16.5	......	13.6	161.8	88.9	72.9	12.2	60.7	31.2	22.4	7.1
1930	192.3	16.5	......	14.7	161.1	89.3	71.8	11.8	60.0	32.0	21.6	6.4
1931	182.9	18.5	......	16.0	148.4	83.5	64.9	11.1	53.8	30.9	17.6	5.3
1932	175.0	21.3	......	16.6	137.1	80.0	57.1	10.1	47.0	29.0	14.0	4.0
1933	168.5	24.3	......	16.3	127.9	76.9	51.0	9.1	41.9	26.3	11.7	3.9
1934	171.6	30.4	......	15.9	125.3	75.5	49.8	8.9	40.9	25.5	11.2	4.2
1935	175.0	34.4	......	16.1	124.5	74.8	49.7	8.9	40.8	24.8	10.8	5.2
1936	180.6	37.7	......	16.2	126.7	76.1	50.6	8.6	42.0	24.4	11.2	6.4
1937	182.2	39.2	......	16.1	126.9	75.8	51.1	8.6	42.5	24.3	11.3	6.9
1938	179.9	40.5	......	16.1	123.3	73.3	50.0	9.0	41.0	24.5	10.1	6.4
1939	183.3	42.6	......	16.4	124.3	73.5	50.8	8.8	42.0	25.0	9.8	7.2
1940	189.8	44.8	......	16.4	128.6	75.6	53.0	9.1	43.9	26.1	9.5	8.3
1941	211.4	56.3	......	16.1	139.0	83.4	55.6	9.3	46.3	27.1	10.0	9.2
1942	258.6	101.7	......	15.4	141.5	91.6	49.9	9.0	40.9	26.8	8.1	6.0
1943	313.2	154.4	......	14.5	144.3	95.5	48.8	8.2	40.5	26.1	9.5	4.9
1944	370.6	211.9	......	13.9	144.8	94.1	50.7	7.7	42.9	26.0	11.8	5.1
1945	405.9	252.5	......	13.4	140.0	85.3	54.7	7.3	47.4	27.0	14.7	5.7
1946	396.6	229.5	......	13.7	153.4	93.5	59.9	7.6	52.3	31.8	12.1	8.4
1947	415.7	221.7	0.7	15.0	178.3	108.9	69.4	8.6	60.7	37.2	11.9	11.6
1948	431.3	215.3	.6	17.0	198.4	117.8	80.6	10.8	69.7	42.4	12.9	14.4
1949	445.8	217.6	.7	19.1	208.4	118.0	90.4	12.0	78.4	47.1	13.9	17.4
1950	486.2	217.4	.7	21.7	246.4	142.1	104.3	12.3	92.0	54.8	15.8	21.5
1951	519.2	216.9	1.3	24.2	276.8	162.5	114.3	13.7	100.6	61.7	16.2	22.7
1952	550.2	221.5	1.3	27.0	300.4	171.0	129.4	15.2	114.2	68.9	17.8	27.5
1953	581.6	226.8	1.4	30.7	322.7	179.5	143.2	16.8	126.4	76.7	18.4	31.4
1954	605.9	229.1	1.3	35.5	340.0	182.8	157.2	17.5	139.7	86.4	20.8	32.5
1955	664.9	229.6	2.9	40.2	392.2	212.1	180.1	18.7	161.4	98.7	24.0	38.8
1956	698.3	224.3	2.4	44.4	427.2	231.7	195.5	19.4	176.1	109.4	24.4	42.3
1957	728.3	223.0	2.4	48.6	454.3	246.7	207.6	20.2	187.4	118.1	24.3	45.0
1958	769.1	231.0	2.5	53.2	482.4	259.5	222.9	23.2	199.7	128.1	26.5	45.1
1959	831.4	241.4	3.7	58.0	528.3	283.3	245.0	23.8	221.2	141.0	28.7	51.5
1960	872.4	239.8	3.5	63.0	566.1	302.8	263.3	25.1	238.2	151.3	30.8	56.1
1961	929.8	246.7	4.0	70.0	609.1	324.3	284.8	27.5	257.3	164.5	34.8	58.0
1962	997.1	253.6	5.3	78.1	660.1	348.2	311.9	30.2	281.7	180.3	37.6	63.8
1963	1,071.7	257.5	7.2	84.7	722.3	376.4	345.8	33.2	312.6	198.6	42.3	71.7
1964	1,153.7	264.0	7.5	92.4	789.7	409.6	380.1	36.0	344.1	218.9	45.0	80.3
1965	1,245.6	266.4	8.9	99.9	870.4	454.3	416.1	39.3	376.8	236.8	49.7	90.3
1966	1,340.8	271.8	11.2	107.1	950.6	502.7	447.9	42.4	405.5	252.8	55.2	97.5
1967	1,436.4	286.4	9.0	117.9	1,023.1	541.7	481.4	48.3	433.2	266.9	64.2	102.1
1968	1,568.5	291.9	21.5	128.6	1,126.6	604.5	522.2	50.2	472.0	285.5	73.2	113.2

1 Net public and private debt is a comprehensive aggregate of the indebtedness of borrowers after eliminating certain types of duplicating governmental and corporate debt.

2 Net Federal Government and agency debt is the outstanding debt held by the public, as defined in the "Budget of the United States Government, for the Fiscal Year ending June 30, 1971." Figures shown here are subject to revision.

3 This comprises the debt of federally sponsored agencies, in which there is no longer any Federal proprietary interest. The obligations of the Federal Land Banks are included here beginning in 1947; the debt of the Federal Home Loan Banks is included beginning in 1951; and the debts of the Federal National Mortgage Association—Secondary Market Operations, Federal Intermediate Credit Banks, and Banks for Cooperatives are included beginning with 1968.

4 Farm mortgages and farm production loans. Farmers' financial and consumer debt is included in the nonfarm categories.

5 Financial debt is debt owed to banks for purchasing or carrying securities, customers' debt to brokers, and debt owed to life insurance companies by policyholders.

Sources: Department of Commerce (Office of Business Economics), Treasury Department, Department of Agriculture, Board of Governors of the Federal Reserve System, Federal Home Loan Bank Board, Federal Land Banks, and Federal National Mortgage Association.

TABLE C-61.—*Federal budget receipts and outlays, 1929–71*

[Millions of dollars]

Fiscal year	Receipts	Outlays	Surplus or deficit (−)
Administrative budget:			
1929	3,861	3,127	734
1930	4,058	3,320	738
1931	3,116	3,577	−462
1932	1,924	4,659	−2,735
1933	1,997	4,598	−2,602
1934	3,015	6,645	−3,630
1935	3,706	6,497	−2,791
1936	3,997	8,422	−4,425
1937	4,956	7,733	−2,777
1938	5,588	6,765	−1,177
1939	4,979	8,841	−3,862
Consolidated cash statement:			
1940	6,879	9,589	−2,710
1941	9,202	13,980	−4,778
1942	15,104	34,500	−19,396
1943	25,097	78,909	−53,812
1944	47,818	93,956	−46,138
1945	50,162	95,184	−45,022
1946	43,537	61,738	−18,201
1947	43,531	36,931	6,600
1948	45,357	36,493	8,864
1949	41,576	40,570	1,006
1950	40,940	43,147	−2,207
1951	53,390	45,797	7,593
1952	68,011	67,962	49
1953	71,495	76,769	−5,274
Unified budget:			
1954	69,719	70,890	−1,170
1955	65,469	68,509	−3,041
1956	74,547	70,460	4,087
1957	79,990	76,741	3,249
1958	79,636	82,575	−2,939
1959	79,249	92,104	−12,855
1960	92,492	92,223	269
1961	94,389	97,795	−3,406
1962	99,676	106,813	−7,137
1963	106,560	111,311	−4,751
1964	112,662	118,584	−5,922
1965	116,833	118,430	−1,596
1966	130,856	134,652	−3,796
1967	149,552	158,254	−8,702
1968	153,671	178,833	−25,161
1969	187,792	184,556	3,236
1970 [1]	199,386	197,885	1,501
1971 [1]	202,103	200,771	1,331

[1] Estimate.

Note.—Certain interfund transactions are excluded from receipts and outlays starting in 1932. For years prior to 1932 the amounts of such transactions are not significant.

Refunds of receipts are excluded from receipts and outlays starting in 1913; comparable data are not available for prior years.

Source: Bureau of the Budget.

TABLE C-62.—*Federal budget receipts, outlays, financing, and debt, 1960–71*

[Millions of dollars; fiscal years]

Description	Actual					
	1960	1961	1962	1963	1964	1965
RECEIPTS, EXPENDITURES, AND NET LENDING:						
Expenditure account:						
Receipts	92,492	94,389	99,676	106,560	112,662	116,833
Expenditures (excludes net lending)	90,341	96,597	104,462	111,456	118,039	117,181
Expenditure account surplus or deficit (−)	2,151	−2,208	−4,786	−4,896	−5,377	−347
Loan account:						
Loan disbursements	8,310	7,869	9,621	9,646	10,237	10,911
Loan repayments	6,427	6,671	7,271	9,791	9,693	9,662
Net lending	1,882	1,198	2,351	−145	545	1,249
Total budget:						
Receipts	92,492	94,389	99,676	106,560	112,662	116,833
Outlays (expenditures and net lending)	92,223	97,795	106,813	111,311	118,584	118,430
Budget surplus or deficit (−)	269	−3,406	−7,137	−4,751	−5,922	−1,596
BUDGET FINANCING:						
Net borrowing from the public or repayment of borrowing (−)	2,174	1,427	9,769	6,088	3,092	4,061
Other means of financing	−2,443	1,979	−2,632	−1,337	2,830	−2,465
Total means of financing	−269	3,406	7,137	4,751	5,922	1,596
OUTSTANDING DEBT, END OF YEAR:						
Gross Federal debt	290,862	292,895	303,291	310,807	316,763	323,154
Held by the public	237,177	238,604	248,373	254,461	257,553	261,614
BUDGET RECEIPTS	92,492	94,389	99,676	106,560	112,662	116,833
Individual income taxes	40,741	41,338	45,571	47,588	48,697	48,792
Corporation income taxes	21,494	20,954	20,523	21,579	23,493	25,461
Employment taxes and contributions	11,248	12,679	12,835	14,746	16,959	17,359
Unemployment insurance [2]	2,667	2,902	3,337	4,112	4,045	3,819
Contributions for other insurance and retirement	768	857	875	946	1,008	1,081
Excise taxes	11,676	11,860	12,534	13,194	13,731	14,570
Estate and gift taxes	1,606	1,896	2,016	2,167	2,394	2,716
Customs duties	1,105	982	1,142	1,205	1,252	1,442
Miscellaneous receipts [3]	1,187	919	843	1,023	1,084	1,594
MEMORANDUM:						
Federal funds	75,650	75,179	79,703	83,550	87,205	90,943
Trust funds	19,228	21,800	22,652	25,799	28,518	29,230
BUDGET OUTLAYS (EXPENDITURES AND NET LENDING)	92,223	97,795	106,813	111,311	118,584	118,430
National defense	45,908	47,381	51,097	52,257	53,591	49,578
International affairs and finance	3,054	3,357	4,492	4,115	4,117	4,340
Space research and technology	401	744	1,257	2,552	4,170	5,091
Agriculture and rural development	3,322	3,340	4,123	5,139	5,185	4,807
Natural resources	1,019	1,568	1,686	1,505	1,972	2,063
Commerce and transportation	4,774	5,048	5,408	5,743	6,482	7,364
Community development and housing	971	191	589	−880	−185	288
Education and manpower	1,286	1,499	1,732	1,732	2,028	2,533
Health	756	873	1,139	1,393	1,737	1,730
Income security	17,977	20,956	22,205	23,854	24,833	25,453
Veterans benefits and services	5,426	5,688	5,625	5,520	5,681	5,722
Interest	8,299	8,108	8,321	9,215	9,810	10,357
General government	1,327	1,491	1,650	1,810	2,040	2,210
Allowances						
Undistributed intragovernmental transactions	−2,297	−2,449	−2,513	−2,644	−2,877	−3,109
MEMORANDUM:						
Federal funds	74,865	79,336	86,594	90,141	95,761	94,807
Trust funds	19,743	21,048	22,898	23,958	25,884	26,962
Intragovernmental transactions	−2,385	−2,589	−2,680	−2,788	−3,061	−3,339

See footnotes at end of table.

TABLE C-62.—*Federal budget receipts, outlays, financing, and debt, 1960–71*—Continued

[Millions of dollars; fiscal years]

Description	Actual				Estimate	
	1966	1967	1968	1969	1970	1971
RECEIPTS, EXPENDITURES, AND NET LENDING:						
Expenditure account:						
Receipts	130,856	149,552	153,671	187,792	199,386	202,103
Expenditures (excluding net lending)	130,820	153,201	172,802	183,080	194,985	200,088
Expenditure account surplus or deficit (−)	36	−3,649	−19,131	4,712	4,401	2,014
Loan account:						
Loan disbursements	14,628	17,676	20,327	13,117	9,489	8,604
Loan repayments	10,796	12,623	14,297	11,640	6,589	7,921
Net lending	3,832	5,053	6,030	1,476	2,900	683
Total budget:						
Receipts	130,856	149,552	153,671	187,792	199,386	202,103
Outlays (expenditures and net lending)	134,652	158,254	178,833	184,556	197,885	200,771
Budget surplus or deficit (−)	−3,796	−8,702	−25,161	3,236	1,501	1,331
BUDGET FINANCING:						
Net borrowing from the public or repayment of borrowing (−)	3,076	2,838	23,100	−1,044	−2,583	−1,200
Other means of financing	720	5,863	2,061	−2,192	1,082	−131
Total means of financing	3,796	8,702	25,161	[1] −3,236	[1] −1,501	[1] −1,331
OUTSTANDING DEBT END OF YEAR:						
Gross Federal debt	329,474	341,348	369,769	367,144	374,734	382,503
Held by the public	264,690	267,529	290,629	279,483	278,483	277,283
BUDGET RECEIPTS	130,856	149,552	153,671	187,792	199,386	202,103
Individual income taxes	55,446	61,526	68,726	87,249	92,200	91,000
Corporation income taxes	30,073	33,971	28,665	36,678	37,000	35,000
Employment taxes and contributions	20,662	27,823	29,224	34,236	38,914	42,842
Unemployment insurance [2]	3,777	3,659	3,346	3,328	3,340	3,335
Contributions for other insurance and retirement	1,129	1,867	2,052	2,353	2,551	2,931
Excise taxes	13,062	13,719	14,079	15,222	15,940	17,520
Estate and gift taxes	3,066	2,978	3,051	3,491	3,500	3,600
Customs duties	1,767	1,901	2,038	2,319	2,260	2,260
Miscellaneous receipts [3]	1,875	2,108	2,491	2,916	3,681	3,614
MEMORANDUM:						
Federal funds	101,427	111,835	114,726	143,329	149,579	147,600
Trust funds	32,997	42,935	44,716	52,009	58,141	64,107
BUDGET OUTLAYS (EXPENDITURES AND NET LENDING)	134,652	158,254	178,833	184,556	197,885	200,771
National defense	56,785	70,081	80,517	81,240	79,432	73,583
International affairs and finance	4,490	4,547	4,619	3,785	4,113	3,589
Space research and technology	5,933	5,423	4,721	4,247	3,886	3,400
Agriculture and rural development	3,679	4,376	5,943	6,221	6,343	5,364
Natural resources	2,035	1,860	1,702	2,129	2,485	2,503
Commerce and transportation	7,135	7,554	8,047	7,873	9,436	8,785
Community development and housing	2,644	2,616	4,076	1,961	3,046	3,781
Education and manpower	4,523	6,135	7,012	6,825	7,538	8,129
Health	2,543	6,721	9,672	11,696	13,265	14,957
Income security	28,751	30,881	33,835	37,399	43,832	50,384
Veterans benefits and services	5,920	6,897	6,882	7,640	8,681	8,475
Interest	11,285	12,588	13,744	15,791	17,821	17,799
General government	2,292	2,510	2,561	2,866	3,620	4,084
Allowances					475	2,575
Undistributed intragovernmental transactions	−3,364	−3,936	−4,499	−5,117	−6,088	−6,639
MEMORANDUM:						
Federal funds	106,512	126,779	143,105	148,819	156,703	154,936
Trust funds	31,708	36,693	41,499	43,284	49,517	55,440
Intragovernmental transactions	−3,568	−5,218	−5,771	−7,547	−8,335	−9,605

[1] Excludes changes due to reclassification and to conversion of mixed-ownership enterprises to private ownership. (See footnote to Table 9 of the 1971 Budget Document.)

[2] Includes Federal funds of $339 million in 1960.

[3] Includes both Federal funds and trust funds.

Source: Bureau of the Budget.

TABLE C–63.—*Relation of the Federal Budget to the Federal sector of the national income and product accounts, 1968–71*

[Billions of dollars; fiscal years]

Receipts and expenditures	Actual		Estimate	
	1968	1969	1970	1971
RECEIPTS				
Total receipts, budget	153.7	187.8	199.4	202.1
Government contribution for employee retirement (grossing)	1.9	2.1	2.4	2.6
Other netting and grossing	1.1	1.3	1.4	1.4
Adjustment to accruals	4.3	1.7	–.9	–.5
Other	–.1	–.2	–.4	–.2
Federal sector, national income and product accounts, receipts	160.9	192.7	201.8	205.4
EXPENDITURES				
Total outlays, budget	178.8	184.6	197.9	200.8
Loan account	–6.0	–1.5	–2.9	–.7
Financial transactions in the expenditure account	–1.6	–1.0	–1.8	–1.9
Government contribution for employee retirement (grossing)	1.9	2.1	2.4	2.6
Other netting and grossing	1.1	1.3	1.4	1.4
Defense timing adjustment	–2.1	.7	1.7	1.3
Dollar expenditures to finance agricultural exports	–.7	–.3	–.3	–.2
Other	1.0	.9	–.2	.5
Federal sector, national income and product accounts, expenditures	172.4	186.7	198.1	203.8

Note.—See Special Analysis A, "Budget of the United States Government for the Fiscal Year Ending June 30, 1971," for description of these categories.

Sources: Bureau of the Budget and Department of Commerce (Office of Business Economics).

TABLE C–64.—*Receipts and expenditures of the Federal Government sector of the national income and product accounts, 1946–71*

[Billions of dollars]

Year or quarter	Receipts: Total	Receipts: Personal tax and nontax receipts	Receipts: Corporate profits tax accruals	Receipts: Indirect business tax and nontax accruals	Receipts: Contributions for social insurance	Expenditures: Total	Expenditures: Purchases of goods and services	Expenditures: Transfer payments: To persons	Expenditures: Transfer payments: To foreigners (net)	Expenditures: Grants-in-aid to State and local governments	Expenditures: Net interest paid	Expenditures: Subsidies less current surplus of government enterprises	Surplus or deficit (−), national income and product accounts
Fiscal year:													
1946	38.4	16.9	8.3	7.4	5.8	55.5	40.1	------	------	0.9	3.7	2.1	−17.1
1947	42.7	18.8	10.6	7.9	5.5	29.5	13.0	8.3	1.8	1.5	4.2	.7	13.2
1948	43.6	20.0	11.2	7.9	4.6	30.9	13.2	8.7	2.6	1.8	4.2	.5	12.7
1949	40.0	16.3	11.0	8.0	4.8	39.6	19.3	8.1	5.0	2.1	4.3	.8	.4
1950	42.0	16.5	11.9	8.2	5.5	42.4	19.0	11.3	4.3	2.4	4.4	1.0	−.5
1951	60.8	23.2	21.5	9.5	6.6	44.6	25.1	8.1	3.1	2.4	4.6	1.3	16.2
1952	65.1	28.8	19.3	9.7	7.3	66.0	46.6	8.5	2.6	2.5	4.8	1.1	−1.0
1953	69.3	31.4	19.7	10.7	7.5	75.8	56.1	9.3	2.1	2.8	4.8	.9	−6.5
1954	65.8	30.3	17.3	10.4	7.8	74.2	53.2	10.5	1.7	2.9	5.0	1.0	−8.5
1955	67.2	29.7	18.7	10.0	8.7	67.3	43.9	12.1	2.1	3.0	4.9	1.3	−.1
1956	75.8	33.6	21.1	10.8	10.2	69.8	45.2	12.8	1.8	3.2	5.1	1.7	6.0
1957	80.7	36.7	20.6	11.7	11.7	76.0	47.7	14.4	1.9	3.7	5.5	2.8	4.7
1958	77.9	36.3	17.8	11.6	12.2	83.1	50.7	17.8	1.7	4.7	5.7	2.5	−5.1
1959	85.4	38.2	21.5	11.9	13.8	90.9	54.7	19.8	1.8	6.2	5.9	2.4	−5.5
1960	94.8	42.5	22.3	13.2	16.7	91.3	52.7	20.6	1.8	6.8	7.0	2.3	3.5
1961	95.3	43.6	20.3	13.3	18.1	98.0	55.5	23.6	2.1	6.9	6.8	3.2	−2.7
1962	104.2	47.3	22.9	14.2	19.9	106.4	60.9	25.1	2.1	7.6	6.8	3.8	−2.1
1963	110.2	49.6	23.5	15.0	22.1	111.4	63.4	26.4	2.1	8.4	7.5	3.6	−1.2
1964	115.5	50.7	25.7	15.6	23.5	116.9	65.7	27.3	2.2	9.8	8.1	3.8	−1.4
1965	120.5	51.3	27.7	16.9	24.6	118.5	64.4	28.3	2.2	10.9	8.5	4.1	2.0
1966	132.8	57.6	31.0	15.7	28.5	131.9	71.7	31.8	2.3	12.7	9.0	4.5	.9
1967	147.3	64.4	31.1	16.1	35.8	154.6	85.3	37.3	2.2	14.8	9.9	5.1	−7.2
1968	160.9	71.3	34.3	17.2	38.0	172.4	95.3	42.4	2.1	17.6	10.8	4.1	−11.5
1969	192.7	90.5	40.0	18.6	43.6	186.7	101.1	48.2	2.2	18.9	12.3	4.1	6.0
1970 [1]	201.8	95.5	38.8	19.1	48.3	198.1	100.8	54.7	2.2	22.4	13.6	4.5	3.6
1971 [1]	205.4	93.6	38.4	20.5	52.9	203.8	96.6	62.8	2.2	24.8	13.3	4.1	1.6
Calendar year:													
1946	39.1	17.2	8.6	7.8	5.5	35.6	17.2	9.2	2.2	1.1	4.2	1.6	3.5
1947	43.2	19.6	10.7	7.8	5.1	29.8	12.5	8.8	1.9	1.7	4.2	.6	13.4
1948	43.3	19.0	11.8	8.0	4.5	34.9	16.5	7.6	3.8	2.0	4.3	.7	8.4
1949	38.9	16.1	9.8	8.0	4.9	41.3	20.1	8.7	5.1	2.2	4.4	.8	−2.4
1950	49.9	18.1	17.0	8.9	5.9	40.8	18.4	10.8	3.6	2.3	4.5	1.2	9.1
1951	64.0	26.1	21.5	9.4	7.1	57.8	37.7	8.5	3.1	2.5	4.7	1.3	6.2
1952	67.2	31.0	18.5	10.3	7.4	71.0	51.8	8.8	2.1	2.6	4.7	1.0	−3.8
1953	70.0	32.2	19.5	10.9	7.4	77.0	57.0	9.5	2.0	2.8	4.9	.8	−7.0
1954	63.8	29.0	17.0	9.7	8.1	69.7	47.4	11.5	1.8	2.9	5.0	1.1	−5.9
1955	72.1	31.4	20.6	10.7	9.3	68.1	44.1	12.4	2.0	3.1	4.9	1.5	4.0
1956	77.6	35.2	20.6	11.2	10.6	71.9	45.6	13.4	1.9	3.3	5.3	2.4	5.7
1957	81.6	37.4	20.2	11.8	12.2	79.6	49.5	15.7	1.8	4.2	5.7	2.6	2.1
1958	78.7	36.8	18.0	11.5	12.4	88.9	53.6	19.5	1.8	5.6	5.6	2.7	−10.2
1959	89.7	39.9	22.5	12.5	14.8	91.0	53.7	20.1	1.8	6.8	6.4	2.1	−1.2
1960	96.5	43.6	21.7	13.5	17.7	93.0	53.5	21.5	1.9	6.5	7.1	2.5	3.5
1961	98.3	44.7	21.8	13.6	18.2	102.1	57.4	24.9	2.1	7.2	6.6	3.8	−3.8
1962	106.4	48.6	22.7	14.6	20.5	110.3	63.4	25.5	2.2	8.0	7.2	4.0	−3.8
1963	114.5	51.5	24.6	15.3	23.1	113.9	64.2	27.0	2.2	9.1	7.7	3.6	.7
1964	115.0	48.6	26.4	16.1	23.8	118.1	65.2	27.8	2.2	10.4	8.3	4.2	−3.0
1965	124.7	53.8	29.3	16.5	25.1	123.5	66.9	30.3	2.2	11.1	8.7	4.3	1.2
1966	142.5	61.7	32.1	15.7	33.0	142.8	77.8	33.4	2.3	14.4	9.5	5.4	−.2
1967	151.1	67.5	30.6	16.3	36.7	163.8	90.7	40.0	2.2	15.9	10.3	4.7	−12.7
1968	176.3	79.5	38.3	18.0	40.5	181.5	99.5	45.7	2.1	18.3	11.6	4.3	−5.2
1969 p	201.6	95.6	40.4	18.8	46.9	191.9	102.0	50.4	1.9	19.9	13.0	4.6	9.7
	Seasonally adjusted annual rates												
1968: I	165.7	72.1	37.0	17.4	39.3	174.1	96.3	43.3	1.8	17.7	11.0	4.0	−8.4
II	170.8	74.7	38.1	17.9	40.1	180.3	99.0	45.5	2.0	18.2	11.4	4.1	−9.5
III	181.4	83.7	38.4	18.3	40.9	184.2	100.9	46.5	2.3	18.4	11.7	4.6	−2.8
IV	187.3	87.4	39.8	18.5	41.7	187.4	101.9	47.6	2.4	19.0	12.2	4.4	−.1
1969: I	198.6	93.8	40.7	18.5	45.6	188.5	101.6	49.1	1.7	19.0	12.5	4.6	10.1
II	202.8	96.9	41.0	18.6	46.4	189.3	100.6	50.0	2.1	19.3	12.9	4.4	13.5
III	201.3	95.0	39.8	19.1	47.5	193.6	103.2	50.9	1.8	19.8	13.1	4.6	7.7
IV p	------	96.6	------	18.9	48.1	196.2	102.7	51.6	2.0	21.4	13.5	4.9	------

[1] Estimates.

Note.—Includes the transactions of the trust accounts and excludes certain financial transactions. Corporate profits taxes are included in receipts on an accrual basis; purchases of goods and services from business are timed with delivery; and CCC guaranteed price-support crop loans are counted as expenditures when the loans are made, not when CCC redeems them.

Receipts for 1969 reflect repeal of investment tax credit.

Sources: Department of Commerce (Office of Business Economics) and Bureau of the Budget.

TABLE C–65.—*Public debt securities by kind of obligation, 1946–69*

[Billions of dollars]

End of year or month	Total public debt securities	Interest-bearing public debt							Matured public debt and debt bearing no interest
		Marketable public issues by maturity class			Nonmarketable public issues				
		Within 1 year	1 to 10 years	10 years and over	Special issues[1]	U.S. savings bonds[2]	Foreign and international	Other	
1946	259.1	54.8	61.7	60.1	24.6	49.8	--------	6.7	1.5
1947	256.9	49.6	56.1	60.0	29.0	52.1	--------	7.4	2.7
1948	252.8	44.6	55.1	57.7	31.7	55.1	--------	6.3	2.2
1949	257.1	49.4	51.8	53.9	33.9	56.7	--------	9.3	2.1
1950	256.7	49.4	50.5	52.5	33.7	58.0	--------	10.1	2.4
1951	259.4	47.1	56.7	38.8	35.9	57.6	--------	20.9	2.3
1952	267.4	57.7	62.2	28.7	39.1	57.9	--------	19.6	2.1
1953	275.2	73.9	50.4	30.3	41.2	57.7	--------	19.3	2.3
1954	278.7	62.8	64.7	30.2	42.6	57.7	--------	17.7	3.0
1955	280.8	61.7	68.6	32.9	43.9	57.9	--------	12.7	3.0
1956	276.6	68.6	58.9	32.9	45.6	56.3	--------	11.9	2.4
1957	274.9	75.3	56.9	32.0	45.8	52.5	--------	10.4	2.0
1958	282.9	72.6	71.0	32.0	44.8	51.2	--------	9.2	2.1
1959	290.8	79.9	83.7	24.6	43.5	48.2	--------	7.8	3.1
1960	290.2	75.3	89.5	24.2	44.3	47.2	--------	6.3	3.4
1961	296.2	85.9	84.7	25.4	43.5	47.5	0.5	5.3	3.5
1962	303.5	87.3	95.6	20.1	43.4	47.5	.7	4.6	4.3
1963	309.3	89.4	94.2	24.0	43.7	48.8	1.3	3.8	4.1
1964	317.9	88.5	100.4	23.6	46.1	49.7	1.7	3.6	4.4
1965	320.9	93.4	95.6	25.6	46.3	50.3	2.4	3.0	4.4
1966	329.3	105.2	87.5	25.4	52.0	50.8	1.5	2.8	4.3
1967	344.7	104.4	97.0	25.1	57.2	51.7	3.1	2.7	3.5
1968	358.0	108.6	103.4	24.8	59.1	52.3	4.3	2.6	2.9
1969	368.2	118.1	93.3	24.4	71.0	52.2	3.8	3.4	2.0
1968: Jan	346.3	107.2	97.0	25.1	55.9	51.7	3.2	2.7	3.4
Feb	351.6	116.3	92.0	25.0	57.2	51.7	3.4	2.7	3.2
Mar	349.5	114.6	92.0	25.0	56.7	51.8	3.3	2.7	3.3
Apr	347.0	111.8	91.9	25.0	57.0	51.8	3.5	2.6	3.4
May	352.3	109.0	97.8	25.0	59.2	51.9	3.5	2.6	3.4
June	347.6	106.4	95.2	25.0	59.5	51.9	3.7	2.6	3.2
July	351.1	110.8	95.2	24.9	58.9	52.0	3.5	2.6	3.1
Aug	354.4	106.1	102.1	24.9	60.1	52.0	3.3	2.6	3.1
Sept	354.7	106.5	102.1	24.9	59.7	52.1	3.7	2.6	3.2
Oct	357.2	116.0	95.7	24.9	58.8	52.2	3.8	2.6	3.1
Nov	356.9	104.9	105.9	24.8	59.0	52.3	4.4	2.6	3.0
Dec	358.0	108.6	103.4	24.8	59.1	52.3	4.3	2.6	2.9
1969: Jan	359.4	110.4	103.4	24.8	59.8	52.3	4.4	2.6	1.8
Feb	358.8	100.3	111.5	24.7	60.9	52.3	4.5	2.6	2.0
Mar	359.5	103.3	109.2	24.7	61.1	52.3	4.5	2.6	1.9
Apr	358.5	101.2	109.1	24.7	62.3	52.2	4.5	2.6	1.9
May	360.1	111.9	97.6	24.6	64.9	52.2	4.4	2.5	1.9
June	353.7	103.9	97.6	24.6	66.8	52.2	4.1	2.5	2.0
July	357.0	107.4	97.6	24.6	66.8	52.2	4.0	2.6	1.9
Aug	360.2	112.6	94.1	24.5	68.4	52.1	3.8	2.7	1.9
Sept	360.7	112.6	94.1	24.5	68.9	52.1	3.8	2.8	1.9
Oct	364.4	109.6	101.0	24.5	68.1	52.1	4.1	3.1	2.0
Nov	368.1	120.1	93.3	24.4	69.3	52.1	3.8	3.1	1.8
Dec	368.2	118.1	93.3	24.4	71.0	52.2	3.8	3.4	2.0

[1] Issued to U.S. Government accounts. These accounts also held $18.4 billion of public marketable and nonmarketable issues on December 31, 1969.
[2] Includes sales of U.S. savings notes beginning May 1967.

Source: Treasury Department.

TABLE C–66.—*Estimated ownership of public debt securities, 1939–69*

[Par values,[1] billions of dollars]

End of year or month	Total public debt securities[2]: Total	Held by Government accounts	Held by Federal Reserve banks	Held by private investors: Total	Commercial banks[3]	Mutual savings banks and insurance companies	Other corporations[4]	State and local governments[5]	Individuals[6]	Miscellaneous investors[7]
1939	41.9	6.1	2.5	33.4	12.7	8.4	2.0	0.4	9.4	0.5
1940	45.0	6.7	2.2	36.2	13.7	9.2	2.0	.5	10.0	.8
1941	57.9	8.5	2.3	47.1	17.1	11.0	4.0	.7	13.0	1.3
1942	108.2	10.5	6.2	91.5	38.2	15.4	10.1	1.0	23.3	3.5
1943	165.9	14.5	11.5	139.8	57.3	20.8	16.4	2.1	37.2	6.0
1944	230.6	19.0	18.8	192.8	76.7	28.0	21.4	4.3	53.1	9.3
1945	278.1	23.9	24.3	230.0	90.8	34.7	22.2	6.5	64.0	11.8
1946	259.1	27.4	23.3	208.3	74.5	36.7	15.3	6.3	64.1	11.4
1947	256.9	30.8	22.6	203.6	68.7	35.9	14.1	7.3	65.7	11.9
1948	252.8	33.7	23.3	195.8	62.4	32.7	14.8	7.9	65.5	12.5
1949	257.1	35.9	18.9	202.4	66.8	31.5	16.8	8.1	66.3	12.9
1950	256.7	36.0	20.8	199.9	61.8	29.6	19.7	8.8	66.3	13.6
1951	259.4	39.3	23.8	196.3	61.5	26.2	20.7	9.6	64.6	13.7
1952	267.4	42.9	24.7	199.8	63.4	25.5	19.9	11.1	65.2	14.7
1953	275.2	45.4	25.9	203.8	63.7	25.1	21.5	12.7	64.8	16.1
1954	278.7	46.7	24.9	207.1	69.1	24.1	19.1	14.4	63.5	16.9
1955	280.8	49.0	24.8	207.0	62.0	23.1	23.2	15.4	65.0	18.3
1956	276.6	51.2	24.9	200.5	59.5	21.2	18.7	16.3	65.9	18.9
1957	274.9	52.8	24.2	197.9	59.5	20.1	17.7	16.6	64.9	19.1
1958	282.9	52.1	26.3	204.5	67.5	19.8	18.1	16.5	63.7	18.9
1959	290.8	51.4	26.6	212.7	60.3	19.4	21.4	18.0	69.4	24.3
1960	290.2	52.8	27.4	210.0	62.1	18.0	18.7	18.7	66.1	26.5
1961	296.2	52.5	28.9	214.8	67.2	17.4	18.5	19.0	65.9	26.9
1962	303.5	53.2	30.8	219.5	67.1	17.5	18.6	20.1	66.0	30.1
1963	309.3	55.3	33.6	220.5	64.2	16.8	18.7	21.1	68.2	31.5
1964	317.9	58.4	37.0	222.5	63.9	16.5	18.2	21.1	69.8	33.0
1965	320.9	59.7	40.8	220.5	60.7	15.6	15.8	22.9	72.1	33.4
1966	329.3	65.8	44.3	219.2	57.4	14.1	14.9	24.9	74.6	33.3
1967	344.7	73.1	49.1	222.4	63.8	12.7	12.2	25.1	74.0	34.7
1968	358.0	76.6	52.9	228.5	65.5	11.6	14.6	27.1	75.3	34.4
1969	368.2	89.0	57.2	222.0	56.1	10.1	15.8	27.1	79.4	33.5
1968: Jan	346.3	71.8	49.1	225.3	62.8	12.5	13.4	25.6	74.5	36.5
Feb	351.6	73.4	49.0	229.2	63.7	12.5	14.8	26.4	75.2	36.6
Mar	349.5	72.9	49.7	226.9	62.0	12.6	14.1	27.1	75.2	35.9
Apr	347.0	73.1	50.5	223.4	59.8	12.3	13.6	26.9	75.2	35.6
May	352.3	75.7	50.6	226.0	60.8	12.4	15.6	26.8	75.4	34.9
June	347.6	76.1	52.2	219.2	59.8	12.0	13.0	26.6	74.2	33.7
July	351.1	75.6	52.4	223.1	61.2	12.0	14.3	26.7	74.7	34.2
Aug	354.4	76.9	53.0	224.5	62.1	11.9	14.5	26.9	74.9	34.2
Sept	354.7	76.5	53.3	224.9	63.5	11.9	12.9	26.7	75.2	34.7
Oct	357.2	76.2	53.3	227.7	65.3	11.7	14.0	26.8	75.0	34.8
Nov	356.9	76.6	53.4	226.9	63.9	11.6	14.8	26.7	74.7	35.2
Dec	358.0	76.6	52.9	228.5	65.5	11.6	14.6	27.1	75.3	34.4
1969: Jan	359.4	77.3	52.1	230.0	64.2	11.5	16.8	27.8	75.9	33.7
Feb	358.8	78.7	52.3	227.8	60.8	11.4	17.8	28.4	76.1	33.1
Mar	359.5	79.0	52.4	228.1	60.6	11.3	17.6	28.1	76.4	33.9
Apr	358.5	79.8	53.1	225.6	58.6	11.1	17.0	28.7	76.6	33.5
May	360.1	82.7	53.8	223.6	56.4	11.6	17.4	28.1	76.8	33.2
June	353.7	84.8	54.1	214.8	54.9	11.0	15.1	27.3	76.4	30.2
July	357.0	85.0	54.1	217.9	56.0	10.6	15.8	27.5	76.9	31.0
Aug	360.2	86.6	54.9	218.6	54.7	10.4	16.8	27.3	77.2	32.3
Sept	360.7	86.9	54.1	219.6	54.4	10.2	15.2	27.6	77.8	34.3
Oct	364.4	86.1	55.5	222.7	55.7	10.1	16.4	27.0	78.5	35.0
Nov	368.1	87.0	57.3	223.8	56.4	10.2	16.8	27.3	78.7	34.3
Dec	368.2	89.0	57.2	222.0	56.1	10.1	15.8	27.1	79.4	33.5

[1] United States savings bonds, series A–F and J, and U.S. savings notes are included at current redemption value.
[2] Not all of total shown is subject to statutory debt limitation.
[3] Includes commercial banks, trust companies, and stock savings banks in the United States and Territories and island possessions; figures exclude securities held in trust departments. Since the estimates in this table are on the basis of par values and include holdings of banks in United States Territories and possessions, they do not agree with the estimates in Table C–51, which are based on book values and relate only to banks within the United States.
[4] Exclusive of banks and insurance companies.
[5] Includes trust, sinking, and investment funds of State and local governments and their agencies, and of Territories and possessions.
[6] Includes partnerships and personal trust accounts.
[7] Includes savings and loan associations, nonprofit institutions, corporate pension trust funds, dealers and brokers, Federal oriented agencies not included in Government accounts, and investments of foreign balances and international accounts in this country. Beginning with December 1946, the international accounts include investments by the International Bank for Reconstruction and Development, the International Monetary Fund, the International Development Association, the Inter-American Development Bank, and various United Nations' funds, in special non-interest-bearing notes and bonds issued by the U.S. Government.

Source: Treasury Department.

TABLE C–67.—*Average length and maturity distribution of marketable interest-bearing public debt, 1946–69*

End of year or month	Amount outstanding	Maturity class: Within 1 year	1 to 5 years	5 to 10 years	10 to 20 years	20 years and over	Average length: Years	Months
	Millions of dollars						Years	Months
Fiscal year:								
1946	189,606	61,974	24,763	41,807	17,461	43,599	9	1
1947	168,702	51,211	21,851	35,562	18,597	41,481	9	5
1948	160,346	48,742	21,630	32,264	16,229	41,481	9	2
1949	155,147	48,130	32,562	16,746	22,821	34,888	8	9
1950	155,310	42,338	51,292	7,792	28,035	25,853	8	2
1951	137,917	43,908	46,526	8,707	29,979	8,797	6	7
1952	140,407	46,367	47,814	13,933	25,700	6,594	5	8
1953	147,335	65,270	36,161	15,651	28,662	1,592	5	4
1954	150,354	62,734	29,866	27,515	28,634	1,606	5	6
1955	155,206	49,703	39,107	34,253	28,613	3,530	5	10
1956	154,953	58,714	34,401	28,908	28,578	4,351	5	4
1957	155,705	71,952	40,669	12,328	26,407	4,349	4	9
1958	166,675	67,782	42,557	21,476	27,652	7,208	5	3
1959	178,027	72,958	58,304	17,052	21,625	8,088	4	7
1960	183,845	70,467	72,844	20,246	12,630	7,658	4	4
1961	187,148	81,120	58,400	26,435	10,233	10,960	4	6
1962	196,072	88,442	57,041	26,049	9,319	15,221	4	11
1963	203,508	85,294	58,026	37,385	8,360	14,444	5	1
1964	206,489	81,424	65,453	34,929	8,355	16,328	5	0
1965	208,695	87,637	56,198	39,169	8,449	17,241	5	4
1966	209,127	89,136	60,933	33,596	8,439	17,023	4	11
1967	210,672	89,648	71,424	24,378	8,425	16,797	4	7
1968	226,592	106,407	64,470	30,754	8,407	16,553	4	2
1969	226,107	103,910	62,770	34,837	8,374	16,217	4	0
1968: Jan	229,285	107,199	78,157	18,859	8,416	16,654	4	0
Feb	233,273	116,253	67,967	24,005	8,414	16,635	4	1
Mar	231,651	114,646	67,969	24,006	8,413	16,617	4	0
Apr	228,718	111,783	67,922	24,006	8,411	16,596	4	0
May	231,761	109,012	67,017	30,752	8,409	16,571	4	1
June	226,592	106,407	64,470	30,754	8,407	16,553	4	2
July	230,977	110,824	64,469	30,754	8,406	16,525	4	0
Aug	233,167	106,121	64,996	37,143	8,402	16,504	4	2
Sept	233,556	106,534	64,997	37,143	8,401	16,482	4	1
Oct	236,651	116,040	58,606	37,142	8,400	16,464	4	0
Nov	235,653	104,938	70,751	35,130	8,398	16,435	4	1
Dec	236,812	108,611	68,260	35,130	8,396	16,415	4	0
1969: Jan	238,543	110,377	68,260	35,129	8,395	16,382	3	11
Feb	236,535	100,282	75,778	35,727	8,394	16,354	4	0
Mar	237,272	103,342	73,494	35,726	8,390	16,320	3	11
Apr	234,968	101,159	73,407	35,726	8,386	16,291	3	11
May	234,097	111,855	62,769	34,837	8,379	16,257	3	11
June	226,107	103,910	62,770	34,837	8,374	16,217	4	0
July	229,581	107,416	62,763	34,837	8,372	16,194	3	11
Aug	231,230	112,618	69,519	24,553	8,370	16,170	3	10
Sept	231,203	112,616	69,522	24,553	8,367	16,145	3	10
Oct	235,029	109,550	74,762	26,247	8,363	16,107	3	9
Nov	237,919	120,144	73,305	20,026	8,360	16,083	3	8
Dec	235,863	118,124	73,302	20,026	8,358	16,054	3	8

Note.—All issues classified to final maturity except partially tax-exempt bonds, which were classified to earliest call date (the last of these bonds were called on August 14, 1962, for redemption on December 15, 1962).

Source: Treasury Department.

TABLE C–68.—*Receipts and expenditures of the government sector of the national income and product accounts, 1929–69*

[Billions of dollars]

Calendar year or quarter	Total government: Receipts	Total government: Expenditures	Total government: Surplus or deficit (−), national income and product accounts	Federal Government [1]: Receipts	Federal Government [1]: Expenditures	Federal Government [1]: Surplus or deficit (−), national income and product accounts	State and local government: Receipts	State and local government: Expenditures	State and local government: Surplus or deficit (−), national income and product accounts
1929	11.3	10.3	1.0	3.8	2.6	1.2	7.6	7.8	−0.2
1930	10.8	11.1	−.3	3.0	2.8	.3	7.8	8.4	−.6
1931	9.5	12.4	−2.9	2.0	4.2	−2.1	7.7	8.5	−.8
1932	8.9	10.6	−1.8	1.7	3.2	−1.5	7.3	7.6	−.3
1933	9.3	10.7	−1.4	2.7	4.0	−1.3	7.2	7.2	−.1
1934	10.5	12.9	−2.4	3.5	6.4	−2.9	8.6	8.1	.5
1935	11.4	13.4	−2.0	4.0	6.5	−2.6	9.1	8.6	.6
1936	12.9	16.1	−3.1	5.0	8.7	−3.6	8.6	8.1	.5
1937	15.4	15.0	.3	7.0	7.4	−.4	9.1	8.4	.7
1938	15.0	16.8	−1.8	6.5	8.6	−2.1	9.3	9.0	.4
1939	15.4	17.6	−2.2	6.7	8.9	−2.2	9.6	9.6	(2)
1940	17.7	18.4	−.7	8.6	10.0	−1.3	10.0	9.3	.6
1941	25.0	28.8	−3.8	15.4	20.5	−5.1	10.4	9.1	1.3
1942	32.6	64.0	−31.4	22.9	56.1	−33.1	10.6	8.8	1.8
1943	49.2	93.3	−44.1	39.3	85.8	−46.6	10.9	8.4	2.5
1944	51.2	103.0	−51.8	41.0	95.5	−54.5	11.1	8.5	2.7
1945	53.2	92.7	−39.5	42.5	84.6	−42.1	11.6	9.0	2.6
1946	50.9	45.5	5.4	39.1	35.6	3.5	12.9	11.0	1.9
1947	56.8	42.4	14.4	43.2	29.8	13.4	15.3	14.3	1.0
1948	58.9	50.3	8.5	43.3	34.9	8.4	17.6	17.4	.1
1949	56.0	59.1	−3.2	38.9	41.3	−2.4	19.3	20.0	−.7
1950	68.7	60.8	7.8	49.9	40.8	9.1	21.1	22.3	−1.2
1951	84.8	79.0	5.8	64.0	57.8	6.2	23.3	23.7	−.4
1952	89.8	93.7	−3.8	67.2	71.0	−3.8	25.2	25.3	(3)
1953	94.3	101.2	−6.9	70.0	77.0	−7.0	27.2	27.0	.1
1954	89.7	96.7	−7.0	63.8	69.7	−5.9	28.8	29.9	−1.1
1955	100.4	97.6	2.7	72.1	68.1	4.0	31.4	32.7	−1.3
1956	109.0	104.1	4.9	77.6	71.9	5.7	34.7	35.6	−.9
1957	115.6	114.9	.7	81.6	79.6	2.1	38.2	39.5	−1.4
1958	114.7	127.2	−12.5	78.7	88.9	−10.2	41.6	44.0	−2.3
1959	128.9	131.0	−2.1	89.7	91.0	−1.2	46.0	46.8	−.8
1960	139.8	136.1	3.7	96.5	93.0	3.5	49.9	49.6	.2
1961	144.6	149.0	−4.3	98.3	102.1	−3.8	53.6	54.1	−.5
1962	157.0	159.9	−2.9	106.4	110.3	−3.8	58.6	57.6	.9
1963	168.8	166.9	1.8	114.5	113.9	.7	63.4	62.2	1.2
1964	174.1	175.4	−1.4	115.0	118.1	−3.0	69.5	67.8	1.7
1965	189.1	186.9	2.2	124.7	123.5	1.2	75.5	74.5	1.0
1966	213.3	212.3	1.1	142.5	142.8	−.2	85.2	83.9	1.3
1967	228.4	242.9	−14.5	151.1	163.8	−12.7	93.2	95.0	−1.8
1968	264.2	270.8	−6.7	176.3	181.5	−5.2	106.2	107.6	−1.5
1969 p	302.0	293.0	9.0	201.6	191.9	9.7	120.2	121.0	−.7
	Seasonally adjusted annual rates								
1967: I	222.0	236.1	−14.1	147.5	159.5	−12.0	89.6	91.7	−2.1
II	224.4	240.4	−16.0	148.3	161.4	−13.2	90.9	93.6	−2.8
III	230.1	244.8	−14.6	152.0	165.3	−13.4	94.4	95.6	−1.3
IV	237.0	250.4	−13.4	156.4	168.8	−12.3	97.9	99.0	−1.0
1968: I	248.5	260.0	−11.5	165.7	174.1	−8.4	100.5	103.6	−3.1
II	257.3	268.1	−10.8	170.8	180.3	−9.5	104.7	106.0	−1.3
III	271.1	274.5	−3.5	181.4	184.2	−2.8	108.0	108.7	−.7
IV	279.7	280.6	−.9	187.3	187.4	−.1	111.4	112.2	−.8
1969: I	294.1	285.9	8.3	198.6	188.5	10.1	114.5	116.3	−1.8
II	302.0	290.6	11.4	202.8	189.3	13.5	118.5	120.5	−2.1
III	303.4	296.0	7.4	201.3	193.6	7.7	121.9	122.2	−.3
IV p	....	299.7	....	....	196.2	....	....	124.9	....

[1] See Note, Table C–64.
[2] Surplus of $32 million.
[3] Deficit of $41 million.

Note.—Federal grants-in-aid to State and local governments are reflected in Federal expenditures and State and local receipts and expenditures. Total government receipts and expenditures have been adjusted to eliminate this duplication. Federal receipts for 1969 reflect repeal of investment tax credit.

Source: Department of Commerce, Office of Business Economics.

TABLE C-69.—*Receipts and expenditures of the State and local government sector of the national income and product accounts, 1946–69*

[Billions of dollars; calendar years]

Year or quarter	Receipts						Expenditures					Surplus or deficit (−), national income and product accounts
	Total	Personal tax and nontax receipts	Corporate profits tax accruals	Indirect business tax and nontax accruals	Contributions for social insurance	Federal grants-in-aid	Total	Purchases of goods and services	Transfer payments to persons	Net interest paid	Less: Current surplus of government enterprises	
1946	12.9	1.5	0.5	9.3	0.5	1.1	11.0	9.8	1.7	0.3	0.7	1.9
1947	15.3	1.8	.6	10.6	.6	1.7	14.3	12.6	2.3	.3	.8	1.0
1948	17.6	2.1	.7	12.1	.7	2.0	17.4	15.0	2.9	.3	.8	.1
1949	19.3	2.4	.6	13.3	.8	2.2	20.0	17.7	2.9	.3	.9	−.7
1950	21.1	2.6	.8	14.5	1.0	2.3	22.3	19.5	3.5	.3	.9	−1.2
1951	23.3	2.9	.9	15.8	1.2	2.5	23.7	21.5	3.0	.3	1.1	−.4
1952	25.2	3.1	.8	17.3	1.3	2.6	25.3	22.9	3.2	.3	1.1	(1)
1953	27.2	3.4	.8	18.7	1.5	2.8	27.0	24.6	3.3	.3	1.2	.1
1954	28.8	3.7	.8	19.7	1.7	2.9	29.9	27.4	3.4	.4	1.4	−1.1
1955	31.4	4.1	1.0	21.4	1.8	3.1	32.7	30.1	3.7	.5	1.6	−1.3
1956	34.7	4.7	1.0	23.6	2.0	3.3	35.6	33.0	3.8	.5	1.7	−.9
1957	38.2	5.2	1.0	25.5	2.3	4.2	39.5	36.6	4.2	.5	1.8	−1.4
1958	41.6	5.6	1.0	27.0	2.5	5.6	44.0	40.6	4.6	.6	1.8	−2.3
1959	46.0	6.3	1.2	28.9	2.7	6.8	46.8	43.3	4.8	.7	2.0	−.8
1960	49.9	7.3	1.3	31.7	3.0	6.5	49.6	46.1	5.1	.7	2.2	.2
1961	53.6	7.7	1.4	34.1	3.2	7.2	54.1	50.2	5.5	.8	2.3	−.5
1962	58.6	8.7	1.4	36.9	3.5	8.0	57.6	53.7	5.7	.8	2.6	.9
1963	63.4	9.4	1.7	39.4	3.8	9.1	62.2	58.2	6.0	.8	2.8	1.2
1964	69.5	10.8	1.9	42.3	4.1	10.4	67.8	63.5	6.5	.7	2.9	1.7
1965	75.5	11.8	2.1	45.9	4.5	11.1	74.5	70.1	6.9	.5	3.0	1.0
1966	85.2	13.7	2.2	49.9	5.0	14.4	83.9	79.0	7.7	.3	3.1	1.3
1967	93.2	15.4	2.4	53.8	5.7	15.9	95.0	89.3	8.8	.2	3.3	−1.8
1968	106.2	18.4	3.0	59.9	6.5	18.3	107.6	100.7	10.0	.3	3.4	−1.5
1969 p	120.2	21.9	3.1	67.8	7.5	19.9	121.0	112.7	11.4	.4	3.5	−.7
	Seasonally adjusted annual rates											
1967: I	89.6	14.7	2.4	52.0	5.4	15.1	91.7	86.4	8.4	0.2	3.2	−2.1
II	90.9	15.2	2.4	53.0	5.6	14.7	93.6	88.1	8.6	.1	3.3	−2.8
III	94.4	15.7	2.4	54.3	5.8	16.2	95.6	90.0	8.9	.1	3.3	−1.3
IV	97.9	16.1	2.5	55.9	6.0	17.4	99.0	92.9	9.3	.2	3.3	−1.0
1968: I	100.5	17.2	2.9	56.5	6.2	17.7	103.6	97.1	9.7	.2	3.4	−3.1
II	104.7	18.0	3.0	59.2	6.4	18.2	106.0	99.4	9.8	.3	3.4	−1.3
III	108.0	18.9	3.0	61.1	6.6	18.4	108.7	101.7	10.2	.3	3.5	−.7
IV	111.4	19.5	3.1	62.9	6.9	19.0	112.2	104.8	10.5	.4	3.5	−.8
1969: I	114.5	20.5	3.1	64.8	7.1	19.0	116.3	108.5	11.0	.4	3.5	−1.8
II	118.5	21.5	3.1	67.1	7.4	19.3	120.5	112.3	11.3	.4	3.5	−2.1
III	121.9	22.5	3.0	68.9	7.7	19.8	122.2	113.8	11.6	.4	3.6	−.3
IV p	....	23.3	....	70.4	8.0	21.4	124.9	116.2	11.9	.4	3.6	....

[1] Deficit of $41 million.

Source: Department of Commerce, Office of Business Economics.

TABLE C–70.—*State and local government revenues and expenditures, selected fiscal years, 1927–68*

[Millions of dollars]

Fiscal year [1]	General revenues by source [2]							General expenditures by function [2]				
	Total	Property taxes	Sales and gross receipts taxes	Individual income taxes	Corporation net income taxes	Revenue from Federal Government	All other revenue [3]	Total	Education	Highways	Public welfare	All other [4]
1927	7,271	4,730	470	70	92	116	1,793	7,210	2,235	1,809	151	3,015
1932	7,267	4,487	752	74	79	232	1,643	7,765	2,311	1,741	444	3,269
1934	7,678	4,076	1,008	80	49	1,016	1,449	7,181	1,831	1,509	889	2,952
1936	8,395	4,093	1,484	153	113	948	1,604	7,644	2,177	1,425	827	3,215
1938	9,228	4,440	1,794	218	165	800	1,811	8,757	2,491	1,650	1,069	3,547
1940	9,609	4,430	1,982	224	156	945	1,872	9,229	2,638	1,573	1,156	3,862
1942	10,418	4,537	2,351	276	272	858	2,123	9,190	2,586	1,490	1,225	3,889
1944	10,908	4,604	2,289	342	451	954	2,269	8,863	2,793	1,200	1,133	3,737
1946	12,356	4,986	2,986	422	447	855	2,661	11,028	3,356	1,672	1,409	4,591
1948	17,250	6,126	4,442	543	592	1,861	3,685	17,684	5,379	3,036	2,099	7,170
1950	20,911	7,349	5,154	788	593	2,486	4,541	22,787	7,177	3,803	2,940	8,867
1952	25,181	8,652	6,357	998	846	2,566	5,763	26,098	8,318	4,650	2,788	10,342
1953	27,307	9,375	6,927	1,065	817	2,870	6,252	27,910	9,390	4,987	2,914	10,619
1954	29,012	9,967	7,276	1,127	778	2,966	6,897	30,701	10,557	5,527	3,060	11,557
1955	31,073	10,735	7,643	1,237	744	3,131	7,584	33,724	11,907	6,452	3,168	12,197
1956	34,667	11,749	8,691	1,538	890	3,335	8,465	36,711	13,220	6,953	3,139	13,399
1957	38,164	12,864	9,467	1,754	984	3,843	9,250	40,375	14,134	7,816	3,485	14,940
1958	41,219	14,047	9,829	1,759	1,018	4,865	9,699	44,851	15,919	8,567	3,818	16,547
1959	45,306	14,983	10,437	1,994	1,001	6,377	10,516	48,887	17,283	9,592	4,136	17,876
1960	50,505	16,405	11,849	2,463	1,180	6,974	11,634	51,876	18,719	9,428	4,404	19,325
1961	54,037	18,002	12,463	2,613	1,266	7,131	12,563	56,201	20,574	9,844	4,720	21,063
1962	58,252	19,054	13,494	3,037	1,308	7,871	13,489	60,206	22,216	10,357	5,084	22,549
1963	62,890	20,089	14,456	3,269	1,505	8,722	14,850	64,816	23,776	11,136	5,481	24,423
1962–63 [5]	62,269	19,833	14,446	3,267	1,505	8,663	14,556	63,977	23,729	11,150	5,420	23,678
1963–64 [5]	68,443	21,241	15,762	3,791	1,695	10,002	15,951	69,302	26,286	11,664	5,766	25,586
1964–65 [5]	74,000	22,583	17,118	4,090	1,929	11,029	17,250	74,546	28,563	12,221	6,315	27,447
1965–66 [5]	83,036	24,670	19,085	4,760	2,038	13,214	19,269	82,843	33,287	12,770	6,757	30,029
1966–67 [5]	91,197	26,047	20,530	5,826	2,227	15,370	21,197	93,350	37,919	13,932	8,218	33,281
1967–68 [5]	101,264	27,747	22,911	7,308	2,518	17,181	23,598	102,411	41,158	14,481	9,857	36,915

[1] Fiscal years not the same for all governments. See footnote 5.

[2] Excludes revenues or expenditures of publicly owned utilities and liquor stores, and of insurance-trust activities. Intergovernmental receipts and payments between State and local governments are also excluded.

[3] Includes licenses and other taxes and charges and miscellaneous revenues.

[4] Includes expenditures for health, hospitals, police, local fire protection, natural resources, sanitation, housing and urban renewal, local parks and recreation, general control, financial administration, interest on general debt, and unallocable expenditures.

[5] Data for fiscal year ending in the 12-month period through June 30. Data for 1963 and earlier years include local government amounts grouped in terms of fiscal years ended during the particular calendar year.

Note.—Data are not available for intervening years.

See Table C–60 for net debt of State and local governments.

Source: Department of Commerce, Bureau of the Census.

TABLE C–71.—*Profits before and after taxes, all private corporations, 1929–69*

[Billions of dollars]

Year or quarter	Corporate profits (before taxes) and inventory valuation adjustment: All industries	Manufacturing: Total	Manufacturing: Durable goods industries	Manufacturing: Nondurable goods industries	Transportation, communication, and public utilities	All other industries	Corporate profits before taxes	Corporate tax liability [1]	Corporate profits after taxes: Total	Dividend payments	Undistributed profits	Corporate capital consumption allowances [2]	Profits plus capital consumption allowances [3]
1929	10.5	5.2	2.6	2.6	1.8	3.4	10.0	1.4	8.6	5.8	2.8	4.2	12.8
1930	7.0	3.9	1.5	2.4	1.2	1.9	3.7	.8	2.9	5.5	−2.6	4.3	7.2
1931	2.0	1.3	.0	1.3	.5	.2	−.4	.5	−.9	4.1	−4.9	4.3	3.5
1932	−1.3	−.5	−1.0	.5	.2	−.9	−2.3	.4	−2.7	2.5	−5.2	4.0	1.3
1933	−1.2	−.4	−.4	.0	.0	−.8	1.0	.5	.4	2.0	−1.6	3.8	4.2
1934	1.7	1.1	.3	.8	.4	.3	2.3	.7	1.6	2.6	−1.0	3.6	5.2
1935	3.4	2.1	.9	1.1	.4	.9	3.6	1.0	2.6	2.8	−.2	3.6	6.3
1936	5.6	3.2	1.7	1.5	.7	1.7	6.3	1.4	4.9	4.5	.4	3.6	8.5
1937	6.8	3.8	1.7	2.1	.8	2.2	6.8	1.5	5.3	4.7	.6	3.6	8.9
1938	4.9	2.3	.8	1.6	.5	2.1	4.0	1.0	2.9	3.2	−.2	3.7	6.6
1939	6.3	3.3	1.7	1.7	1.0	2.0	7.0	1.4	5.6	3.8	1.8	3.7	9.3
1940	9.8	5.5	3.1	2.4	1.3	3.0	10.0	2.8	7.2	4.0	3.2	3.8	11.0
1941	15.2	9.5	6.4	3.1	2.0	3.7	17.7	7.6	10.1	4.4	5.7	4.2	14.4
1942	20.3	11.8	7.2	4.6	3.4	5.1	21.5	11.4	10.1	4.3	5.9	5.0	15.2
1943	24.4	13.8	8.1	5.7	4.4	6.2	25.1	14.1	11.1	4.4	6.6	5.4	16.4
1944	23.8	13.2	7.4	5.9	3.9	6.7	24.1	12.9	11.2	4.6	6.5	6.1	17.2
1945	19.2	9.7	4.5	5.2	2.7	6.7	19.7	10.7	9.0	4.6	4.4	6.4	15.4
1946	19.3	9.0	2.4	6.6	1.8	8.5	24.6	9.1	15.5	5.6	9.9	4.7	20.2
1947	25.6	13.6	5.8	7.8	2.2	9.9	31.5	11.3	20.2	6.3	13.9	5.8	26.0
1948	33.0	17.6	7.5	10.0	3.0	12.5	35.2	12.5	22.7	7.0	15.6	7.0	29.7
1949	30.8	16.2	8.1	8.1	3.0	11.6	28.9	10.4	18.5	7.2	11.3	7.9	26.5
1950	37.7	20.9	12.0	8.9	4.0	12.7	42.6	17.8	24.9	8.8	16.0	8.8	33.7
1951	42.7	24.6	13.2	11.4	4.6	13.5	43.9	22.3	21.6	8.6	13.0	10.3	31.8
1952	39.9	21.6	11.7	9.9	4.9	13.3	38.9	19.4	19.6	8.6	11.0	11.5	31.0
1953	39.6	22.0	11.9	10.1	5.0	12.6	40.6	20.3	20.4	8.9	11.5	13.2	33.5
1954	38.0	19.9	10.5	9.4	4.7	13.4	38.3	17.7	20.6	9.3	11.3	15.0	35.5
1955	46.9	26.0	14.3	11.8	5.6	15.2	48.6	21.6	27.0	10.5	16.5	17.4	44.4
1956	46.1	24.7	12.8	11.9	5.9	15.6	48.8	21.7	27.2	11.3	15.9	18.9	46.1
1957	45.6	24.0	13.3	10.7	5.8	15.8	47.2	21.2	26.0	11.7	14.2	20.8	46.8
1958	41.1	19.3	9.3	10.0	5.9	15.9	41.4	19.0	22.3	11.6	10.8	22.0	44.3
1959	51.7	26.3	13.6	12.7	7.0	18.4	52.1	23.7	28.5	12.6	15.9	23.5	52.0
1960	49.9	24.4	12.0	12.4	7.5	17.9	49.7	23.0	26.7	13.4	13.2	24.9	51.6
1961	50.3	23.3	11.4	11.9	7.9	19.1	50.3	23.1	27.2	13.8	13.5	26.2	53.5
1962	55.7	26.6	14.1	12.5	8.5	20.5	55.4	24.2	31.2	15.2	16.0	30.1	61.3
1963	58.9	28.8	15.8	13.0	9.5	20.6	59.4	26.3	33.1	16.5	16.6	31.8	64.8
1964	66.3	32.7	17.8	14.9	10.1	23.5	66.8	28.3	38.4	17.8	20.6	33.9	72.3
1965	76.1	39.3	22.8	16.6	11.1	25.6	77.8	31.3	46.5	19.8	26.7	36.4	82.9
1966	82.4	42.6	24.0	18.6	11.9	27.9	84.2	34.3	49.9	20.8	29.1	39.5	89.5
1967	79.2	39.0	20.9	18.1	10.8	29.4	80.3	33.0	47.3	21.5	25.9	42.6	90.0
1968	87.9	44.4	24.5	19.9	11.6	31.9	91.1	41.3	49.8	23.1	26.7	45.9	95.7
1969 p	88.7	44.0	23.7	20.2	11.9	32.9	94.3	43.5	50.8	24.6	26.3	49.1	99.9
	Seasonally adjusted annual rates												
1967: I	78.3	39.2	21.0	18.2	10.9	28.2	78.4	32.3	46.1	21.1	24.9	41.5	87.5
II	78.3	38.8	20.8	17.9	10.7	28.8	79.1	32.6	46.4	21.7	24.8	42.2	88.6
III	79.1	38.3	20.4	18.0	10.8	30.1	79.5	32.5	47.0	22.0	25.0	43.0	90.0
IV	81.1	39.5	21.2	18.3	10.9	30.7	84.4	34.5	49.9	21.1	28.8	43.8	93.7
1968: I	82.5	41.1	22.0	19.1	11.3	30.1	87.9	39.9	47.9	22.2	25.7	44.8	92.8
II	88.2	44.9	25.1	19.8	11.5	31.8	90.7	41.1	49.7	22.9	26.7	45.8	95.5
III	90.6	45.4	25.0	20.4	12.0	33.1	91.5	41.4	50.0	23.6	26.5	46.2	96.3
IV	90.3	46.2	25.8	20.4	11.6	32.6	94.5	42.9	51.6	23.8	27.8	46.7	98.4
1969: I	89.5	45.1	24.7	20.3	11.8	32.6	95.5	43.9	51.7	23.8	27.9	47.7	99.4
II	89.2	44.9	23.9	21.0	11.7	32.6	95.4	44.1	51.3	24.3	27.0	48.6	100.0
III	88.8	43.8	23.8	20.0	11.9	33.1	92.5	42.8	49.7	24.9	24.9	49.6	99.3
IV p	------	------	------	------	------	------	------	------	------	25.2	------	50.5	------

[1] Federal and State corporate income and excess profits taxes.
[2] Includes depreciation and accidental damages.
[3] Corporate profits after taxes plus corporate capital consumption allowances.

Note.—Corporate profits tax and related items for 1969 reflect repeal of investment tax credit.

Source: Department of Commerce, Office of Business Economics.

TABLE C–72.—*Sales, profits, and stockholders' equity, all manufacturing corporations (except newspapers*[1]*), 1947–69*

[Billions of dollars]

Year or quarter	All manufacturing corporations				Durable goods industries				Nondurable goods industries			
	Sales (net)	Profits		Stockholders' equity [2]	Sales (net)	Profits		Stockholders' equity [2]	Sales (net)	Profits		Stockholders' equity [2]
		Before taxes	After taxes			Before taxes	After taxes			Before taxes	After taxes	
1947	150.7	16.6	10.1	65.1	66.6	7.6	4.5	31.1	84.1	9.0	5.6	34.0
1948	165.6	18.4	11.5	72.2	75.3	8.9	5.4	34.1	90.4	9.5	6.2	38.1
1949	154.9	14.4	9.0	77.6	70.3	7.5	4.5	37.0	84.6	7.0	4.6	40.6
1950	181.9	23.2	12.9	83.3	86.8	12.9	6.7	39.9	95.1	10.3	6.1	43.5
1951	245.0	27.4	11.9	98.3	116.8	15.4	6.1	47.2	128.1	12.1	5.7	51.1
1952	250.2	22.9	10.7	103.7	122.0	12.9	5.5	49.8	128.0	10.0	5.2	53.9
1953	265.9	24.4	11.3	108.2	137.9	14.0	5.8	52.4	128.0	10.4	5.5	55.7
1954	248.5	20.9	11.2	113.1	122.8	11.4	5.6	54.9	125.7	9.6	5.6	58.2
1955	278.4	28.6	15.1	120.1	142.1	16.5	8.1	58.8	136.3	12.1	7.0	61.3
1956	307.3	29.8	16.2	131.6	159.5	16.5	8.3	65.2	147.8	13.2	7.8	66.4
1957	320.0	28.2	15.4	141.1	166.0	15.8	7.9	70.5	154.1	12.4	7.5	70.6
1958	305.3	22.7	12.7	147.4	148.6	11.4	5.8	72.8	156.7	11.3	6.9	74.6
1959	338.0	29.7	16.3	157.1	169.4	15.8	8.1	77.9	168.5	13.9	8.3	79.2
1960	345.7	27.5	15.2	165.4	173.9	14.0	7.0	82.3	171.8	13.5	8.2	83.1
1961	356.4	27.5	15.3	172.6	175.2	13.6	6.9	84.9	181.2	13.9	8.5	87.7
1962	389.9	31.9	17.7	181.4	195.5	16.7	8.6	89.1	194.4	15.1	9.2	92.3
1963	412.7	34.9	19.5	189.7	209.0	18.5	9.5	93.3	203.6	16.4	10.0	96.3
1964	443.1	39.6	23.2	199.8	226.3	21.2	11.6	98.5	216.8	18.3	11.6	101.3
1965	492.2	46.5	27.5	211.7	257.0	26.2	14.5	105.4	235.2	20.3	13.0	106.3
1966	554.2	51.8	30.9	230.3	291.7	29.2	16.4	115.2	262.4	22.6	14.6	115.1
1967	575.4	47.8	29.0	247.6	300.6	25.7	14.6	125.0	274.8	22.0	14.4	122.6
1968	631.9	55.4	32.1	265.9	335.5	30.7	16.5	135.6	296.4	24.7	15.5	130.3
1967: I	137.0	11.4	6.7	240.9	71.1	6.2	3.4	121.6	65.9	5.2	3.3	119.3
II	145.1	12.6	7.6	245.6	77.0	7.2	4.1	123.7	68.2	5.4	3.5	121.8
III	141.5	11.0	6.7	249.7	72.6	5.4	3.1	126.0	68.9	5.6	3.6	123.6
IV	151.8	12.8	7.9	254.3	80.0	7.0	4.0	128.6	71.8	5.9	3.9	125.7
1968: I	148.9	12.5	7.4	258.6	78.8	6.7	3.7	130.9	70.1	5.8	3.7	127.7
II	158.9	14.8	8.3	263.4	86.0	8.6	4.5	134.1	72.9	6.2	3.8	129.4
III	155.7	13.2	7.6	268.4	81.0	6.8	3.7	137.2	74.8	6.4	4.0	131.2
IV	168.4	14.9	8.7	273.2	89.8	8.6	4.7	140.4	78.6	6.3	4.1	132.9
1969: I [1]	162.8	14.1	7.9	281.5	86.0	7.8	4.1	143.4	76.8	6.3	3.8	138.0
II [1]	176.1	15.8	8.9	288.0	94.2	8.9	4.7	146.8	81.9	6.9	4.2	141.2
III [1]	172.4	13.9	8.0	293.0	89.8	7.1	3.8	148.9	82.7	6.8	4.2	144.1

[1] Includes newspapers beginning 1969.
[2] Annual data are average equity for the year (using four end-of-quarter figures).

Note.—For explanatory notes concerning compilation of the series, see "Quarterly Financial Report for Manufacturing Corporations," Federal Trade Commission and Securities and Exchange Commission.

Data are not necessarily comparable from one period to another due to changes in accounting procedures, industry classifications, sampling procedures, etc. Specific information about the effects of the more significant changes and revisions is contained in the following issues of the "Quarterly Financial Report": third quarter 1953, third quarter 1956, first quarter 1959, and first quarter 1965.

Sources: Federal Trade Commission and Securities and Exchange Commission.

TABLE C–73.—*Relation of profits after taxes to stockholders' equity and to sales, all manufacturing corporations (except newspapers*[1]*), by industry group, 1948–69*

Year or quarter	All manufacturing corporations (except newspapers[1])	Durable goods industries												
		Total durable[2]	Motor vehicles and equipment	Aircraft and parts	Electrical machinery, equipment, and supplies	Machinery (except electrical)	Fabricated metal products	Primary iron and steel industries	Primary nonferrous metal industries	Stone, clay, and glass products	Furniture and fixtures	Lumber and wood products (except furniture)	Instruments and related products	Miscellaneous manufacturing (including ordnance)
	Ratio of profits after Federal taxes (annual rate) to stockholders' equity—percent[3]													
1948	16.0	15.7	19.9	......	16.1	16.3	17.0	14.7	14.2	15.0	15.9	19.2	14.0	12.2
1949	11.6	12.1	22.1	......	13.6	11.6	10.4	10.0	8.1	13.1	8.1	9.1	12.1	7.2
1950	15.4	16.9	25.3	......	20.9	14.1	16.0	14.3	15.1	17.7	15.2	17.5	16.7	12.3
1951	12.1	13.0	14.3	......	14.0	13.0	13.4	12.3	13.8	14.2	11.3	11.9	13.2	9.7
1952	10.3	11.1	13.9	......	13.7	11.3	10.1	8.5	11.6	11.7	8.6	8.5	11.6	7.0
1953	10.5	11.1	13.9	......	13.1	9.8	9.8	10.7	11.1	11.8	8.2	7.1	11.4	8.2
1954	9.9	10.3	14.1	......	12.4	8.6	7.6	8.1	10.4	12.5	6.0	6.3	12.3	7.5
1955	12.6	13.8	21.7	......	12.3	10.3	10.0	13.5	15.5	15.6	9.2	11.1	12.5	8.5
1956	12.3	12.8	13.1	......	11.4	12.6	10.7	12.7	16.4	14.9	11.6	8.7	12.4	11.6
1957	10.9	11.3	14.2	17.7	12.5	10.7	9.3	11.4	9.3	12.4	8.5	4.7	12.0	7.7
1958	8.6	8.0	8.2	13.2	10.2	6.9	7.3	7.2	6.0	10.2	6.3	5.7	10.6	8.2
1959	10.4	10.4	14.5	8.1	12.5	9.7	8.0	8.0	7.9	12.7	8.9	9.4	13.1	9.3
1960	9.2	8.5	13.5	7.3	9.5	7.5	5.6	7.2	7.1	9.9	6.5	3.6	11.6	9.2
1961	8.9	8.1	11.4	9.8	8.9	7.8	5.9	6.1	7.1	8.9	4.9	4.1	10.6	9.9
1962	9.8	9.6	16.3	12.7	10.0	9.1	7.9	5.4	7.5	8.9	7.9	5.6	12.0	9.4
1963	10.3	10.1	16.7	11.3	10.1	9.6	8.3	7.0	7.6	8.7	8.3	8.2	12.1	8.8
1964	11.6	11.7	16.9	12.2	11.2	12.5	10.1	8.8	9.8	9.6	10.1	9.9	14.4	9.5
1965	13.0	13.8	19.5	15.2	13.5	14.1	13.2	9.8	11.9	10.3	13.4	10.1	17.5	10.7
1966	13.4	14.2	15.9	14.4	14.8	15.0	14.7	10.2	14.8	9.9	14.2	10.0	20.9	15.4
1967	11.7	11.7	11.7	12.9	12.8	12.9	12.7	7.7	10.9	8.2	12.1	8.6	18.0	13.1
1968	12.1	12.2	15.1	14.2	12.2	12.3	11.7	7.6	10.8	9.2	12.2	14.6	16.6	12.4
1968: I	11.5	11.3	16.5	13.6	11.8	11.1	10.0	8.6	8.9	3.9	9.1	10.9	14.1	12.6
II	12.6	13.4	17.9	14.4	11.4	13.6	12.5	10.5	11.5	11.7	12.8	16.1	15.5	9.6
III	11.4	10.7	7.4	14.3	11.5	12.3	12.1	4.5	9.9	12.0	12.5	16.3	18.0	12.2
IV	12.8	13.3	18.5	14.5	13.9	12.1	12.3	6.7	12.6	9.1	14.6	15.1	18.4	15.0
1969: I[1]	11.3	11.4	15.4	12.1	11.2	11.2	10.8	7.4	11.3	4.9	11.0	17.1	13.8	11.5
II[1]	12.4	12.9	14.5	11.0	11.3	14.6	12.5	8.7	12.9	11.9	13.4	18.9	16.0	10.5
III[1]	10.9	10.3	7.2	9.7	11.2	11.7	11.1	6.1	11.5	12.2	13.5	8.6	15.7	11.5
	Profits after taxes per dollar of sales—cents													
1948	7.0	7.1	6.9	......	5.9	7.3	7.1	7.6	9.0	8.6	5.5	9.9	7.8	5.6
1949	5.8	6.4	7.9	......	5.7	6.4	5.1	6.5	6.9	8.6	3.3	5.9	7.1	3.6
1950	7.1	7.7	8.3	......	7.2	7.3	6.8	7.9	10.2	10.1	5.1	9.4	8.6	5.6
1951	4.8	5.3	4.7	......	5.0	5.5	5.0	5.8	7.8	7.1	3.4	5.5	6.1	3.7
1952	4.3	4.5	4.7	......	4.5	4.8	4.0	4.7	6.7	6.6	2.7	4.1	4.8	2.7
1953	4.3	4.2	3.9	......	4.1	4.2	3.6	5.3	6.3	6.5	2.6	3.5	4.6	2.9
1954	4.5	4.6	5.1	......	4.5	4.4	3.1	5.3	6.6	7.4	2.1	3.4	5.5	2.8
1955	5.4	5.7	6.9	......	4.4	5.1	3.8	7.2	8.3	8.6	2.9	5.4	6.0	3.1
1956	5.3	5.2	5.2	......	3.8	5.4	4.0	6.7	9.3	8.2	3.4	3.9	5.8	3.6
1957	4.8	4.8	5.4	2.9	4.2	4.8	3.6	6.6	6.6	7.5	2.6	2.3	5.7	2.5
1958	4.2	3.9	4.0	2.4	3.8	3.7	3.1	5.4	4.7	6.8	2.0	2.8	5.4	3.0
1959	4.8	4.8	6.3	1.6	4.4	4.8	3.2	5.4	5.8	7.9	2.7	4.2	6.5	3.5
1960	4.4	4.0	5.9	1.4	3.5	3.9	2.4	5.1	5.4	6.6	2.1	1.7	5.9	3.5
1961	4.3	3.9	5.5	1.8	3.5	4.1	2.5	4.6	5.3	5.8	1.6	1.9	5.4	3.6
1962	4.5	4.4	6.9	2.4	3.7	4.5	3.1	3.9	5.5	5.6	2.3	2.5	5.9	3.4
1963	4.7	4.5	6.9	2.3	3.8	4.7	3.2	4.8	5.3	5.3	2.4	3.3	6.0	3.3
1964	5.2	5.1	7.0	2.6	4.2	5.8	3.7	5.6	6.5	5.6	2.9	3.9	7.2	3.6
1965	5.6	5.7	7.2	3.3	4.8	6.2	4.5	5.7	7.3	5.9	3.7	4.0	8.6	3.8
1966	5.6	5.6	6.2	3.0	4.8	6.4	4.9	5.8	8.2	5.6	3.9	3.8	9.5	4.9
1967	5.0	4.8	4.9	2.7	4.4	5.7	4.5	4.8	6.8	4.8	3.5	3.4	8.5	4.2
1968	5.1	4.9	5.7	3.2	4.3	5.5	4.1	4.6	6.2	5.2	3.4	5.3	8.1	4.0
1968: I	5.0	4.7	6.1	2.9	4.2	5.1	3.6	5.1	5.4	2.6	2.8	4.4	7.4	4.2
II	5.2	5.2	6.2	3.2	4.1	5.7	4.4	5.5	6.4	6.4	3.6	5.7	7.6	3.1
III	4.9	4.5	3.4	3.4	4.1	5.6	4.2	2.9	5.9	6.3	3.5	5.8	8.7	4.0
IV	5.2	5.2	6.3	3.3	4.7	5.4	4.1	4.6	6.9	4.9	3.8	5.4	8.5	4.4
1969: I[1]	4.9	4.8	5.6	3.5	4.0	5.2	3.8	4.5	6.4	2.9	3.1	6.3	7.3	4.1
II[1]	5.1	5.0	5.2	3.3	3.9	6.1	4.1	4.8	6.8	5.7	3.6	6.6	7.8	3.5
III[1]	4.6	4.3	3.1	3.0	4.0	5.3	3.6	3.6	6.2	5.9	3.8	3.2	8.1	3.8

See footnotes at end of table.

TABLE C-73.—*Relation of profits after taxes to stockholders' equity and to sales, all manufacturing corporations (except newspapers[1]), by industry group, 1948–69*—Continued

Year or quarter	Nondurable goods industries: Total nondurable[2]	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and related products	Paper and allied products	Printing and publishing (except newspapers[1])	Chemicals and allied products	Petroleum refining	Rubber and miscellaneous plastic products	Leather and leather products
	Ratio of profits after Federal taxes (annual rate) to stockholders' equity—percent[3]										
1948	16.2	12.8	13.6	18.7	12.1	16.4	14.7	15.8	....	12.3	10.4
1949	11.2	11.8	12.6	7.6	7.5	10.7	11.4	13.2	....	8.7	6.2
1950	14.1	12.3	11.5	12.7	10.1	16.2	11.5	17.8	....	16.9	10.9
1951	11.2	8.1	9.5	8.2	2.9	13.9	10.3	12.2	15.2	14.8	2.1
1952	9.7	7.6	8.4	4.2	4.4	10.5	9.1	10.9	13.3	11.1	5.8
1953	9.9	8.1	9.4	4.6	5.1	10.1	9.4	10.7	13.4	11.3	6.0
1954	9.6	8.1	10.2	1.8	4.5	9.9	9.2	11.6	12.7	10.6	5.9
1955	11.4	8.9	11.4	5.7	6.1	11.5	10.2	14.7	13.4	13.2	8.5
1956	11.8	9.3	11.7	5.8	8.1	11.6	13.0	14.2	13.9	12.2	7.2
1957	10.6	8.7	12.5	4.2	6.3	8.9	11.7	13.3	12.5	11.1	7.0
1958	9.2	8.7	13.5	3.5	4.9	8.1	9.0	11.4	10.0	9.1	5.7
1959	10.4	9.3	13.4	7.5	8.6	9.5	11.4	13.7	9.8	11.0	8.5
1960	9.8	8.7	13.4	5.8	7.7	8.5	10.6	12.2	10.1	9.1	6.3
1961	9.6	8.9	13.6	5.0	7.2	7.9	8.5	11.8	10.3	9.3	4.4
1962	9.9	8.8	13.1	6.2	9.3	8.1	10.3	12.4	10.1	9.6	6.9
1963	10.4	9.0	13.4	6.1	7.7	8.1	9.2	12.9	11.3	9.2	6.9
1964	11.5	10.0	13.4	8.5	11.7	9.3	12.6	14.4	11.4	10.6	10.5
1965	12.2	10.7	13.5	10.9	12.7	9.4	14.2	15.2	11.8	11.7	11.6
1966	12.7	11.2	14.1	10.1	13.3	10.6	15.6	15.1	12.4	12.2	12.9
1967	11.8	10.8	14.4	7.6	12.0	9.1	13.0	13.1	12.5	10.3	11.9
1968	11.9	10.8	14.4	8.8	13.0	9.7	12.5	13.3	12.3	12.3	13.0
1968: I	11.7	9.9	13.5	7.1	12.0	8.5	10.9	13.4	12.9	10.8	13.3
II	11.7	10.2	13.6	9.1	9.3	10.5	10.7	13.6	11.9	13.5	12.0
III	12.1	11.4	15.9	9.5	15.0	9.2	14.8	12.8	12.1	11.8	12.4
IV	12.2	11.4	14.8	9.3	15.3	10.6	13.8	13.3	12.2	12.9	14.4
1969: I[1]	11.1	9.6	12.1	7.2	10.3	9.8	10.8	12.9	12.0	9.6	8.6
II[1]	11.9	10.7	14.8	8.8	11.4	11.1	13.1	13.8	11.9	11.9	8.0
III[1]	11.5	11.9	15.6	7.7	15.9	9.6	12.4	12.4	11.4	9.5	9.4
	Profits after taxes per dollar of sales—cents										
1948	6.8	3.3	5.2	8.3	3.1	8.5	5.2	8.8	....	4.7	3.3
1949	5.4	3.3	5.1	4.1	2.1	6.5	4.5	8.2	....	3.8	2.2
1950	6.5	3.4	4.9	5.8	2.8	8.8	4.5	10.3	....	5.8	3.7
1951	4.5	2.0	3.8	3.4	.6	6.6	3.7	6.5	11.1	4.5	.6
1952	4.1	1.9	3.2	1.9	1.0	5.7	3.3	6.1	10.1	3.6	1.8
1953	4.3	2.0	3.7	2.2	1.2	5.4	3.4	6.1	10.4	3.8	1.8
1954	4.4	2.1	4.2	1.0	1.1	5.6	3.4	6.8	10.6	4.0	1.9
1955	5.1	2.3	4.8	2.6	1.3	6.1	3.6	8.3	11.1	4.4	2.5
1956	5.3	2.4	5.0	2.6	1.6	6.1	4.2	8.0	11.6	4.4	2.1
1957	4.9	2.2	5.2	1.9	1.3	5.0	3.7	7.6	10.6	4.2	2.0
1958	4.4	2.2	5.4	1.6	1.0	4.7	3.1	7.0	9.5	3.5	1.7
1959	4.9	2.4	5.4	3.0	1.5	5.2	4.0	7.9	9.5	4.0	2.2
1960	4.8	2.3	5.5	2.5	1.4	5.0	3.6	7.5	9.9	3.6	1.6
1961	4.7	2.3	5.7	2.1	1.3	4.7	2.8	7.3	10.3	3.8	1.1
1962	4.7	2.3	5.7	2.4	1.6	4.6	3.4	7.4	9.7	3.7	1.8
1963	4.9	2.4	5.9	2.3	1.4	4.5	3.2	7.5	10.8	3.6	1.8
1964	5.4	2.7	5.9	3.1	2.1	5.1	4.3	7.9	10.9	4.1	2.6
1965	5.5	2.7	5.9	3.8	2.3	4.9	4.8	7.9	11.1	4.3	2.8
1966	5.6	2.7	5.9	3.6	2.4	5.4	5.1	7.8	11.2	4.4	3.0
1967	5.3	2.6	5.9	2.9	2.3	4.7	4.4	6.9	11.0	3.9	3.0
1968	5.2	2.6	5.5	3.1	2.4	4.7	4.1	6.8	10.7	4.5	3.3
1968: I	5.3	2.5	5.7	2.7	2.5	4.4	3.8	7.0	11.2	4.2	3.3
II	5.2	2.5	5.5	3.2	1.9	5.1	3.6	6.9	10.6	4.8	3.1
III	5.3	2.7	6.0	3.4	2.7	4.5	4.8	6.6	10.7	4.5	3.3
IV	5.2	2.7	5.1	3.2	2.6	5.0	4.3	6.6	10.3	4.6	3.6
1969: I[1]	5.0	2.4	4.6	2.7	2.2	4.7	4.1	6.7	10.6	3.7	2.4
II[1]	5.1	2.6	5.2	3.2	2.2	5.2	4.9	6.8	10.2	4.1	2.3
III[1]	5.0	2.8	5.6	2.8	3.0	4.7	4.7	6.3	10.0	3.5	2.6

[1] Includes newspapers beginning 1969.
[2] Includes certain industries not shown separately.
[3] Annual ratios based on average equity for the year (using four end-of-quarter figures). Quarterly ratios based on equity at end of quarter only.

Note.—For explanatory notes concerning compilation of the series, see "Quarterly Financial Report for Manufacturing Corporations," Federal Trade Commission and Securities and Exchange Commission. See also Note, Table C-72.

Sources: Federal Trade Commission and Securities and Exchange Commission.

TABLE C–74.—*Sources and uses of funds, nonfarm nonfinancial corporate business, 1958–68*

[Billions of dollars]

Source or use of funds	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
Sources, total	44.2	57.9	48.1	56.6	64.9	67.1	71.8	93.1	100.6	94.2	110.4
Internal sources [1]	29.5	35.0	34.4	35.6	41.8	43.9	50.5	56.6	61.2	61.2	63.1
Undistributed profits [1]	8.3	12.6	10.0	10.2	12.4	13.6	18.3	23.1	24.7	21.2	22.0
Corporate inventory valuation adjustment	−.3	−.5	.2	−.1	.3	−.5	−.5	−1.7	−1.8	−1.1	−3.2
Capital consumption allowances [1]	21.4	22.9	24.2	25.4	29.2	30.8	32.8	35.2	38.2	41.2	44.3
External sources	14.7	22.9	13.7	21.0	23.1	23.2	21.3	36.5	39.4	33.0	47.3
Stocks	2.1	2.2	1.6	2.5	.6	−.3	1.4	.0	1.2	2.3	−.8
Bonds	5.7	3.0	3.5	4.6	4.6	3.9	4.0	5.4	10.2	14.7	12.9
Mortgages	2.9	3.0	2.5	3.9	4.5	4.9	3.6	3.9	4.2	4.5	5.8
Bank loans n.e.c.	−.3	3.5	1.9	.7	3.0	3.7	3.8	10.6	8.4	6.4	9.6
Other loans	−.2	−.3	1.9	.6	.0	.2	.9	.6	1.4	1.4	3.6
Trade debt	4.7	5.5	.6	5.4	4.6	5.3	3.6	9.1	7.3	2.6	5.7
Profits tax liability	−2.6	2.4	−2.2	1.4	.6	1.9	.5	2.2	.2	−4.1	3.7
Other liabilities	2.4	3.6	4.0	1.7	5.2	3.7	3.5	4.6	6.5	5.2	6.9
Uses, total	40.5	53.1	43.7	52.2	60.0	63.2	64.9	85.8	92.5	85.9	103.5
Purchases of physical assets	27.3	36.9	39.0	36.7	44.0	45.6	52.1	62.8	77.1	72.5	76.9
Nonresidential fixed investment	28.4	31.1	34.9	33.2	37.0	38.6	44.1	52.8	61.6	63.8	68.0
Residential structures	1.4	1.7	1.1	1.9	2.3	2.6	2.1	2.0	1.1	2.2	2.3
Change in business inventories	−2.5	4.1	3.0	1.5	4.7	4.3	5.9	7.9	14.4	6.4	6.5
Increase in financial assets	13.2	16.2	4.7	15.6	16.0	17.7	12.8	23.1	15.5	13.5	26.6
Liquid assets	2.7	5.6	−3.2	3.7	3.5	4.7	1.2	1.7	1.9	.6	10.1
Demand deposits and currency	1.5	−1.0	−.5	1.7	−.9	−.8	−2.3	−1.5	.7	−2.2	1.3
Time deposits	.9	−.4	1.3	1.9	3.7	3.9	3.2	3.9	−.7	4.1	2.2
U.S. Government securities	.0	6.6	−5.4	−.2	.5	.5	−1.5	−1.6	−1.2	−2.5	1.8
Open-market paper	−.2	−.2	1.7	.4	.6	.9	1.6	.5	2.0	1.5	4.5
State and local obligations	.5	.7	−.2	.0	−.3	.2	.2	.5	1.0	−.4	.4
Consumer credit	.6	.8	.4	.2	.7	1.0	1.3	1.2	1.2	.9	1.7
Trade credit	8.3	7.7	5.3	9.5	8.5	8.1	8.1	15.1	11.3	8.8	14.8
Other financial assets	1.7	2.0	2.2	2.1	3.2	3.9	2.2	5.1	1.0	3.2	.1
Discrepancy (sources less uses)	3.7	4.8	4.3	4.3	5.0	3.8	6.9	7.2	8.0	8.2	6.9

[1] The figures shown here for "internal sources," "undistributed profits," and "capital consumption allowances" differ from those shown for "cash flow, net of dividends," "undistributed profits," and "capital consumption allowances" in the gross corporate product table in the national income and product accounts of the Department of Commerce for the following reasons: (1) these figures include, and the statistics in the gross corporate product table exclude, branch profits remitted from foreigners net of corresponding U.S. remittances to foreigners; and (2) these figures exclude, and the gross corporate product figures include, the internal funds of corporations whose major activity is farming.

Source: Board of Governors of the Federal Reserve System.

TABLE C-75.—*Current assets and liabilities of United States corporations, 1939–69*

[Billions of dollars]

End of year or quarter	Current assets							Current liabilities					Net working capital
	Total	Cash on hand and in banks[1]	U.S. Government securities[2]	Receivables from U.S. Government[3]	Notes and accounts receivable	Inventories	Other current assets[4]	Total	Advances and prepayments, U.S. Government[3]	Notes and accounts payable	Federal income tax liabilities	Other current liabilities	
1939	54.5	10.8	2.2	-------	22.1	18.0	1.4	30.0	-------	21.9	1.2	6.9	24.5
1940	60.3	13.1	2.0	0.1	23.9	19.8	1.5	32.8	0.6	22.6	2.5	7.1	27.5
1941	72.9	13.9	4.0	.6	27.4	25.6	1.4	40.7	.8	25.6	7.1	7.2	32.3
1942	83.6	17.6	10.1	4.0	23.3	27.3	1.3	47.3	2.0	24.0	12.6	8.7	36.3
1943	93.8	21.6	16.4	5.0	21.9	27.6	1.3	51.6	2.2	24.1	16.6	8.7	42.1
1944	97.2	21.6	20.9	4.7	21.8	26.8	1.4	51.7	1.8	25.0	15.5	9.4	45.6
1945	97.4	21.7	21.1	2.7	23.2	26.3	2.4	45.8	.9	24.8	10.4	9.7	51.6
1946	108.1	22.8	15.3	.7	30.0	37.6	1.7	51.9	.1	31.5	8.5	11.8	56.2
1947	123.6	25.0	14.1	38.3		44.6	1.6	61.5	37.6		10.7	13.2	62.1
1948	133.0	25.3	14.8	42.4		48.9	1.6	64.4	39.3		11.5	13.5	68.6
1949	133.1	26.5	16.8	43.0		45.3	1.4	60.7	37.5		9.3	14.0	72.4
1950	161.5	28.1	19.7	1.1	55.7	55.1	1.7	79.8	.4	47.9	16.7	14.9	81.6
1951	179.1	30.0	20.7	2.7	58.8	64.9	2.1	92.6	1.3	53.6	21.3	16.5	86.5
1952	186.2	30.8	19.9	2.8	64.6	65.8	2.4	96.1	2.3	57.0	18.1	18.7	90.1
1953	190.6	31.1	21.5	2.6	65.9	67.2	2.4	98.9	2.2	57.3	18.7	20.7	91.8
1954	194.6	33.4	19.2	2.4	71.2	65.3	3.1	99.7	2.4	59.3	15.5	22.5	94.9
1955	224.0	34.6	23.5	2.3	86.6	72.8	4.2	121.0	2.3	73.8	19.3	25.7	103.0
1956	237.9	34.8	19.1	2.6	95.1	80.4	5.9	130.5	2.4	81.5	17.6	29.0	107.4
1957	244.7	34.9	18.6	2.8	99.4	82.2	6.7	133.1	2.3	84.3	15.4	31.1	111.6
1958	255.3	37.4	18.8	2.8	106.9	81.9	7.5	136.6	1.7	88.7	12.9	33.3	118.7
1959	277.3	36.3	22.8	2.9	117.7	88.4	9.1	153.1	1.7	99.3	15.0	37.0	124.2
1960	289.0	37.2	20.1	3.1	126.1	91.8	10.6	160.4	1.8	105.0	13.5	40.1	128.6
1961	306.8	41.1	20.0	3.4	135.8	95.2	11.4	171.2	1.8	112.8	14.1	42.5	135.6
New series[5]													
1961	304.6	40.7	19.2	3.4	133.3	95.2	12.9	155.8	1.8	110.0	14.2	29.8	148.8
1962	326.5	43.7	19.6	3.7	144.2	100.7	14.7	170.9	2.0	119.1	15.2	34.5	155.6
1963	351.7	46.5	20.2	3.6	156.8	107.0	17.8	188.2	2.5	130.4	16.5	38.7	163.5
1964	372.2	47.3	18.6	3.4	169.9	113.5	19.6	202.2	2.7	140.3	17.0	42.2	170.0
1965	410.2	49.9	17.0	3.9	190.2	126.9	22.3	229.6	3.1	160.4	19.1	46.9	180.7
1966	442.6	49.3	15.4	4.5	205.2	143.1	25.1	254.4	4.4	179.0	18.3	52.8	188.2
1967	463.1	51.4	12.2	5.1	214.6	152.3	27.6	264.3	5.8	186.4	14.6	57.4	198.8
1968	506.3	55.1	13.7	5.1	235.6	164.6	32.2	293.9	6.4	205.2	16.8	65.4	212.4
1967: I	443.2	46.6	14.1	4.4	205.2	146.6	26.4	252.4	4.9	176.3	17.8	53.5	190.7
II	444.2	46.9	11.3	4.6	207.6	147.7	26.0	252.5	5.4	179.8	12.2	55.1	191.6
III	451.9	48.3	10.6	4.7	211.5	149.7	27.1	256.9	5.7	181.4	13.0	56.7	195.0
IV	463.1	51.4	12.2	5.1	214.6	152.3	27.6	264.3	5.8	186.4	14.6	57.4	198.8
1968: I	470.9	49.3	14.5	4.8	216.6	155.0	30.7	266.6	6.1	184.7	16.5	59.3	204.3
II	481.2	50.5	13.0	4.7	223.5	158.3	31.2	273.5	6.2	190.9	14.8	61.5	207.8
III	491.5	51.9	12.6	4.8	229.4	162.1	30.8	282.7	6.3	196.8	15.1	64.6	208.7
IV	506.3	55.1	13.7	5.1	235.6	164.6	32.2	293.9	6.4	205.2	16.8	65.4	212.4
1969: I	515.7	51.9	15.4	4.8	239.8	169.2	34.6	300.8	6.9	206.1	19.1	68.8	215.0
II	526.7	52.6	13.0	4.8	247.1	174.0	35.3	310.4	7.2	215.3	15.4	72.5	216.3
III	536.8	51.2	11.8	4.6	254.7	178.7	35.7	322.2	7.5	222.9	16.4	75.4	214.6

1 Includes time certificates of deposit.
2 Includes Federal agency issues.
3 Receivables from and payables to U.S. Government do not include amounts offset against each other on corporations' books or amounts arising from subcontracting which are not directly due from or to the U.S. Government. Wherever possible, adjustments have been made to include U.S. Government advances offset against inventories on corporations' books.
4 Includes marketable investments (other than Government securities and time certificates of deposit) as well as sundry current assets.
5 Generally reflects definitions and classifications used in "Statistics of Income" for 1961.

Note.—Data relate to all United States corporations, excluding banks, savings and loan associations, insurance companies, and beginning with the new series for 1961, investment companies. Year-end data through 1966 are based on "Statistics of Income" (Treasury Department), covering virtually all corporations in the United States. "Statistics of Income" data may not be strictly comparable from year to year because of changes in the tax laws, basis for filing returns, and processing of data for compilation purposes. All other figures shown are estimates based on data compiled from many different sources, including data on corporations registered with the Securities and Exchange Commission.

Source: Securities and Exchange Commission.

Table C-76.—*State and municipal and corporate securities offered, 1934–69*

[Millions of dollars]

Year or quarter	State and municipal securities offered for cash (principal amounts)	Corporate securities offered for cash: Total corporate offerings	Type of corporate security: Common stock	Preferred stock	Bonds and notes	Industry of corporate user: Manufacturing [1]	Electric, gas, and water [2]	Transportation [3]	Communication	Other
1934	939	397	19	6	371	67	133	176	--------	21
1935	1,232	2,332	22	86	2,225	797	1,284	126	--------	125
1936	1,121	4,572	272	271	4,029	1,332	2,040	797	--------	401
1937	908	2,310	285	406	1,618	1,120	771	344	--------	74
1938	1,108	2,155	25	86	2,044	848	1,234	55	--------	18
1939	1,128	2,164	87	98	1,980	604	1,271	186	--------	103
1940	1,238	2,677	108	183	2,386	992	1,203	324	--------	159
1941	956	2,667	110	167	2,390	848	1,357	366	--------	96
1942	524	1,062	34	112	917	539	472	48	--------	4
1943	435	1,170	56	124	990	510	477	161	--------	21
1944	661	3,202	163	369	2,669	1,061	1,422	609	--------	109
1945	795	6,011	397	758	4,855	2,026	2,319	1,454	--------	211
1946	1,157	6,900	891	1,127	4,882	3,701	2,158	711	--------	329
1947	2,324	6,577	779	762	5,036	2,742	3,257	286	--------	293
1948	2,690	7,078	614	492	5,973	2,226	2,187	755	902	1,008
1949	2,907	6,052	736	425	4,890	1,414	2,320	800	571	946
1950	3,532	6,361	811	631	4,920	1,200	2,649	813	399	1,300
1951	3,189	7,741	1,212	838	5,691	3,122	2,455	494	612	1,058
1952	4,401	9,534	1,369	564	7,601	4,039	2,675	992	760	1,068
1953	5,558	8,898	1,326	489	7,083	2,254	3,029	595	882	2,138
1954	6,969	9,516	1,213	816	7,488	2,268	3,713	778	720	2,037
1955	5,977	10,240	2,185	635	7,420	2,994	2,464	893	1,132	2,757
1956	5,446	10,939	2,301	636	8,002	3,647	2,529	724	1,419	2,619
1957	6,958	12,884	2,516	411	9,957	4,234	3,938	824	1,462	2,426
1958	7,449	11,558	1,334	571	9,653	3,515	3,804	824	1,424	1,991
1959	7,681	9,748	2,027	531	7,190	2,073	3,258	967	717	2,733
1960	7,230	10,154	1,664	409	8,081	2,152	2,851	718	1,050	3,383
1961	8,360	13,165	3,294	450	9,420	4,077	3,032	694	1,834	3,527
1962	8,558	10,705	1,314	422	8,969	3,249	2,825	567	1,303	2,761
1963	10,107	12,211	1,011	343	10,856	3,514	2,677	957	1,105	3,957
1964	10,544	13,957	2,679	412	10,865	3,046	2,760	982	2,189	4,980
1965	11,148	15,992	1,547	725	13,720	5,417	2,936	1,013	947	5,680
1966	11,089	18,074	1,939	574	15,561	7,070	3,665	1,972	2,003	3,364
1967	14,288	24,798	1,959	885	21,954	11,058	4,935	2,067	1,979	4,759
1968	16,374	21,966	3,946	637	17,383	6,979	5,281	1,875	1,766	6,064
1969 p	11,442	26,790	7,740	690	18,360	6,310	6,700	2,120	2,190	9,480
1967: I	4,046	5,464	298	92	5,074	2,502	1,011	503	548	899
II	3,799	6,208	518	208	5,482	3,084	1,304	437	556	828
III	3,038	6,832	447	231	6,154	2,880	1,281	659	601	1,411
IV	3,404	6,294	696	354	5,244	2,591	1,339	469	274	1,621
1968: I	3,658	5,178	740	249	4,189	1,907	1,442	404	422	1,003
II	3,771	5,705	832	124	4,749	1,703	1,244	470	536	1,753
III	4,511	5,133	986	179	3,967	1,657	1,160	427	490	1,398
IV	4,435	5,950	1,389	85	4,477	1,712	1,435	574	319	1,910
1969: I	2,738	6,219	1,786	236	4,197	1,407	1,345	807	474	2,187
II	3,426	7,354	2,141	128	5,085	1,774	1,879	612	432	2,657
III	2,376	6,332	1,616	182	4,534	1,862	1,544	371	684	1,871
IV p	2,902	6,880	2,200	150	4,530	1,270	1,930	320	600	2,760

[1] Prior to 1948, also includes extractive, radio broadcasting, airline companies, commercial and miscellaneous company issues.
[2] Prior to 1948, also includes telephone, street railway, and bus company issues.
[3] Prior to 1948, includes railroad issues only.

Note.—Covers substantially all new issues of state, municipal, and corporate securities offered for cash sale in the United States in amounts over $100,000 and with terms to maturity of more than 1 year; excludes notes issued exclusively to commercial banks, intercorporate transactions, investment company issues, and issues to be sold over an extended period, such as employee-purchase plans.

Sources: Securities and Exchange Commission, "The Commercial and Financial Chronicle," and "The Bond Buyer."

TABLE C–77.—*Common stock prices, earnings, and yields, and stock market credit, 1939–69*

Year or month	Standard & Poor's common stock data: Price index[1] (1941–43=10): Total (500 stocks)	Industrials (425 stocks)	Public utilities (55 stocks)	Railroads (20 stocks)	Dividend yield[2] (percent)	Price/earnings ratio[3]	Stock market credit (Millions of dollars): Customer credit (excluding U.S. Government securities): Total	Net debit balances[4]	Bank loans to "others"[5]	Bank loans to brokers and dealers[6]
1939	12.06	11.77	16.34	9.82	4.05	13.80	-----	-----	-----	715
1940	11.02	10.69	15.05	9.41	5.59	10.25	-----	-----	-----	584
1941	9.82	9.72	10.93	9.39	6.82	8.27	-----	-----	-----	535
1942	8.67	8.78	7.74	8.81	7.24	8.80	-----	-----	-----	850
1943	11.50	11.49	11.34	11.81	4.93	12.84	-----	-----	-----	1,328
1944	12.47	12.34	12.81	13.47	4.86	13.66	-----	-----	353	2,137
1945	15.16	14.72	16.84	18.21	4.17	16.33	1,374	942	432	2,782
1946	17.08	16.48	20.76	19.09	3.85	17.69	976	473	503	1,471
1947	15.17	14.85	18.01	14.02	4.93	9.36	1,032	517	515	784
1948	15.53	15.34	16.77	15.27	5.54	6.91	968	499	469	1,331
1949	15.23	15.00	17.87	12.83	6.59	6.64	1,249	821	428	1,608
1950	18.40	18.33	19.96	15.53	6.57	6.63	1,798	1,237	561	1,742
1951	22.34	22.68	20.59	19.91	6.13	9.27	1,826	1,253	573	1,419
1952	24.50	24.78	22.86	22.49	5.80	10.47	1,980	1,332	648	2,002
1953	24.73	24.84	24.03	22.60	5.80	9.69	2,445	1,665	780	2,248
1954	29.69	30.25	27.57	23.96	4.95	11.25	3,436	2,388	1,048	2,688
1955	40.49	42.40	31.37	32.94	4.08	11.51	4,030	2,791	1,239	2,852
1956	46.62	49.80	32.25	33.65	4.09	14.05	3,984	2,823	1,161	2,214
1957	44.38	47.63	32.19	28.11	4.35	12.89	3,576	2,482	1,094	2,190
1958	46.24	49.36	37.22	27.05	3.97	16.64	4,537	3,285	1,252	2,569
1959	57.38	61.45	44.15	35.09	3.23	17.05	4,461	3,280	1,181	2,584
1960	55.85	59.43	46.86	30.31	3.47	17.09	4,415	3,222	1,193	2,614
1961	66.27	69.99	60.20	32.83	2.98	21.06	5,602	4,259	1,343	3,398
1962	62.38	65.54	59.16	30.56	3.37	16.68	5,494	4,125	1,369	4,352
1963	69.87	73.39	64.99	37.58	3.17	17.62	7,242	5,515	1,727	4,754
1964	81.37	86.19	69.91	45.46	3.01	18.08	7,053	5,079	1,974	4,631
1965	88.17	93.48	76.08	46.78	3.00	17.08	7,770	5,521	[5] 2,249	[6] 4,277
1966	85.26	91.08	68.21	46.34	3.40	14.92	7,444	5,329	2,115	4,501
1967	91.93	99.18	68.10	46.72	3.20	17.52	10,347	7,883	2,464	5,082
1968	98.70	107.49	66.42	48.84	3.07	17.20	12,488	9,790	2,698	5,796
1969 p	97.84	107.13	62.64	45.95	3.24	-----	10,026	7,447	2,579	5,146
1968: Jan	95.04	103.11	68.02	43.38	3.13	-----	10,218	7,797	2,421	5,826
Feb	90.75	98.33	65.61	42.35	3.28	-----	9,840	7,419	2,421	5,052
Mar	89.09	96.77	62.62	41.68	3.34	16.40	9,622	7,248	2,374	4,305
Apr	95.67	104.42	63.66	44.79	3.12	-----	10,047	7,701	2,346	4,376
May	97.87	107.02	62.92	48.00	3.07	-----	10,625	8,268	2,357	4,282
June	100.53	109.73	65.21	51.72	3.00	17.23	11,138	8,728	2,410	4,584
July	100.30	109.16	67.55	51.01	3.00	-----	11,277	8,861	2,416	6,327
Aug	98.11	106.77	66.60	48.80	3.09	-----	10,976	8,489	2,487	6,156
Sept	101.34	110.53	66.77	51.11	3.01	17.61	11,238	8,723	2,515	6,452
Oct	103.76	113.29	66.93	54.26	2.94	-----	11,416	8,859	2,557	5,642
Nov	105.40	114.77	70.59	53.74	2.92	-----	11,666	9,029	2,637	4,960
Dec	106.48	116.01	70.54	55.19	2.93	17.54	12,488	9,790	2,698	5,796
1969: Jan	102.04	110.97	68.65	54.11	3.06	-----	11,793	9,042	2,751	4,539
Feb	101.46	110.15	69.24	54.78	3.10	-----	11,949	9,148	2,801	4,334
Mar	99.30	108.20	66.07	50.46	3.17	17.68	11,099	8,318	2,781	3,697
Apr	101.26	110.68	65.63	49.53	3.11	-----	10,807	8,044	2,763	4,364
May	104.62	114.53	66.91	49.97	3.02	-----	11,240	8,474	2,766	4,051
June	99.14	108.59	63.29	46.43	3.18	16.59	10,951	8,214	[7] 2,737	[7] 4,379
July	94.71	103.68	61.32	43.00	3.34	-----	10,216	7,515	2,701	4,462
Aug	94.18	103.39	59.20	42.04	3.37	-----	9,684	7,019	2,665	3,389
Sept	94.51	103.97	57.84	42.03	3.33	15.70	9,655	7,039	2,616	3,575
Oct	95.52	105.07	58.80	41.75	3.33	-----	9,816	7,243	2,573	3,588
Nov	96.21	105.86	59.46	40.63	3.31	-----	9,635	7,111	2,524	4,197
Dec p	91.11	100.48	55.28	36.69	3.52	-----	10,026	7,447	2,579	5,146

[1] Annual data are averages of monthly figures and monthly data are averages of daily figures.
[2] Aggregate cash dividends (based on latest known annual rate) divided by the aggregate monthly market value of the stocks in the group. Annual yields are averages of monthly data.
[3] Ratio of quarterly earnings (seasonally adjusted annual rate) to price index for last day in quarter. Annual ratios are averages of quarterly data.
[4] As reported by member firms of the New York Stock Exchange carrying margin accounts. Includes net debit balances of all customers (other than general partners in the reporting firm and member firms of national exchanges) whose combined accounts net to a debit. Balances secured by U.S. Government obligations are excluded through 1967 and included thereafter. Data are for end of period.
[5] Loans by weekly reporting member banks (weekly reporting large commercial banks beginning 1965) to others than brokers and dealers for purchasing or carrying securities except U.S. Government obligations. Data are for last Wednesday of period.
[6] Loans by weekly reporting member banks (weekly reporting large commercial banks beginning 1965) for purchasing or carrying securities, including U.S. Government obligations. Data are for last Wednesday of period.
[7] Revised series; not strictly comparable with earlier data.

Sources: Board of Governors of the Federal Reserve System, Standard & Poor's Corporation, and New York Stock Exchange.

TABLE C–78.—*Business formation and business failures, 1929–69*

Year or month	Index of net business formation (1957–59=100)	New business incorporations (number)	Business failures [1]						
			Business failure rate [2]	Number of failures			Amount of current liabilities (millions of dollars)		
				Total	Liability size class		Total	Liability size class	
					Under $100,000	$100,000 and over		Under $100,000	$100,000 and over
1929			103.9	22,909	22,165	744	483.3	261.5	221.8
1930			121.6	26,355	25,408	947	668.3	303.5	364.8
1931			133.4	28,285	27,230	1,055	736.3	354.2	382.2
1932			154.1	31,822	30,197	1,625	928.3	432.6	495.7
1933 [3]			100.3	19,859	18,880	979	457.5	215.5	242.0
1934			61.1	12,091	11,421	670	334.0	138.5	195.4
1935			61.7	12,244	11,691	553	310.6	135.5	175.1
1936			47.8	9,607	9,285	322	203.2	102.8	100.4
1937			45.9	9,490	9,203	287	183.3	101.9	81.4
1938			61.1	12,836	12,553	283	246.5	140.1	106.4
1939 [3]			69.6	14,768	14,541	227	182.5	132.9	49.7
1940			63.0	13,619	13,400	219	166.7	119.9	46.8
1941			54.5	11,848	11,685	163	136.1	100.7	35.4
1942			44.6	9,405	9,282	123	100.8	80.3	20.5
1943			16.4	3,221	3,155	66	45.3	30.2	15.1
1944			6.5	1,222	1,176	46	31.7	14.5	17.1
1945			4.2	809	759	50	30.2	11.4	18.8
1946		132,916	5.2	1,129	1,003	126	67.3	15.7	51.6
1947		112,897	14.3	3,474	3,103	371	204.6	63.7	140.9
1948	123.1	96,346	20.4	5,250	4,853	397	234.6	93.9	140.7
1949	96.7	85,640	34.4	9,246	8,708	538	308.1	161.4	146.7
1950	102.3	93,092	34.3	9,162	8,746	416	248.3	151.2	97.1
1951	102.8	83,778	30.7	8,058	7,626	432	259.5	131.6	128.0
1952	108.0	92,946	28.7	7,611	7,081	530	283.3	131.9	151.4
1953	103.5	102,706	33.2	8,862	8,075	787	394.2	167.5	226.6
1954	99.8	117,411	42.0	11,086	10,226	860	462.6	211.4	251.2
1955	107.6	139,915	41.6	10,969	10,113	856	449.4	206.4	243.0
1956	103.2	141,163	48.0	12,686	11,615	1,071	562.7	239.8	322.9
1957	98.3	137,112	51.7	13,739	12,547	1,192	615.3	267.1	348.2
1958	97.1	150,781	55.9	14,964	13,499	1,465	728.3	297.6	430.7
1959	104.6	193,067	51.8	14,053	12,707	1,346	692.8	278.9	413.9
1960	99.8	182,713	57.0	15,445	13,650	1,795	938.6	327.2	611.4
1961	95.4	181,535	64.4	17,075	15,006	2,069	1,090.1	370.1	720.0
1962	98.0	182,057	60.8	15,782	13,772	2,010	1,213.6	346.5	867.1
1963	100.6	186,404	56.3	14,374	12,192	2,182	1,352.6	321.0	1,031.6
1964	104.5	197,724	53.2	13,501	11,346	2,155	1,329.2	313.6	1,015.6
1965	106.0	203,897	53.3	13,514	11,340	2,174	1,321.7	321.7	1,000.0
1966	105.5	200,010	51.6	13,061	10,833	2,228	1,385.7	321.5	1,064.1
1967	107.7	206,569	49.0	12,364	10,144	2,220	1,265.2	297.9	967.3
1968	117.8	233,635	38.6	9,636	7,829	1,807	941.0	241.1	699.9
1969			37.3	9,154	7,192	1,962	1,142.1	231.3	910.8
	Seasonally adjusted								
1968: Jan	113.5	17,223	38.2	844	651	193	104.5	20.4	84.1
Feb	114.7	18,014	37.5	832	682	150	79.6	21.4	58.2
Mar	113.8	17,974	44.3	1,021	839	182	88.6	26.1	62.5
Apr	112.8	18,659	43.5	1,003	833	170	80.1	24.8	55.3
May	112.7	18,796	40.9	909	707	202	91.4	21.9	69.5
June	114.5	19,197	36.9	751	616	135	74.7	18.6	56.0
July	119.0	19,530	41.0	810	646	164	90.3	19.2	71.1
Aug	119.1	20,011	36.5	734	607	127	65.8	18.3	47.5
Sept	121.2	20,986	40.3	705	598	107	58.7	19.1	39.5
Oct	123.9	21,394	37.5	768	614	154	65.4	18.6	46.8
Nov	123.4	21,155	35.7	696	569	127	58.7	17.9	40.8
Dec	125.3	20,292	29.9	563	467	96	83.4	14.8	68.6
1969: Jan	125.2	20,578	32.0	689	545	144	75.0	18.1	56.9
Feb	125.8	22,199	35.6	731	566	165	90.0	17.7	72.3
Mar	123.2	21,353	38.0	868	722	146	84.1	23.4	60.7
Apr	123.9	23,467	36.4	823	643	180	118.8	19.7	99.1
May	123.1	23,230	36.9	812	661	151	92.6	21.6	71.0
June	123.6	23,711	39.8	792	630	162	91.9	19.0	72.9
July	124.6	23,771	34.9	689	537	152	112.7	17.8	95.0
Aug	124.1	22,991	36.0	702	563	139	62.8	18.6	44.2
Sept	123.0	23,141	39.9	726	573	153	73.7	17.9	55.8
Oct	123.5	24,683	39.5	815	600	215	116.4	19.2	97.2
Nov	120.5	22,749	40.9	759	570	189	127.1	18.7	108.4
Dec			38.2	748	582	166	96.8	19.4	77.4

[1] Commercial and industrial failures only. Excludes failures of banks and railroads and, beginning 1933, of real estate, insurance, holding, and financial companies, steamship lines, travel agencies, etc.
[2] Failure rate per 10,000 listed enterprises.
[3] Series revised; not strictly comparable with earlier data.

Sources: Department of Commerce (Bureau of the Census) and Dun & Bradstreet, Inc.

AGRICULTURE

TABLE C-79.—*Income from agriculture, 1929–69*

Year or quarter	Personal income received by total farm population: From all sources	Personal income received by total farm population: From farm sources[1]	Personal income received by total farm population: From nonfarm sources[2]	Income received from farming: Realized gross: Total[3]	Income received from farming: Realized gross: Cash receipts from marketings	Income received from farming: Production expenses	Income received from farming: Net to farm operators: Excluding net inventory change	Income received from farming: Net to farm operators: Including net inventory change[4]	Net income per farm, including net inventory change: Current prices	Net income per farm, including net inventory change: 1957–59 prices[5]
	Billions of dollars								Dollars	
1929	....	....	....	13.9	11.3	7.7	6.3	6.2	945	1,750
1930	....	....	....	11.5	9.1	6.9	4.5	4.3	651	1,302
1931	....	....	....	8.4	6.4	5.5	2.9	3.3	506	1,177
1932	....	....	....	6.4	4.7	4.5	1.9	2.0	304	822
1933	....	....	....	7.1	5.3	4.4	2.7	2.6	379	997
1934	5.4	3.2	2.2	8.6	6.4	4.7	3.9	2.9	431	1,002
1935	7.7	5.4	2.3	9.7	7.1	5.1	4.6	5.3	775	1,802
1936	7.2	4.6	2.6	10.8	8.4	5.6	5.1	4.3	639	1,486
1937	9.0	6.2	2.7	11.4	8.9	6.2	5.2	6.0	905	2,011
1938	7.2	4.7	2.5	10.1	7.7	5.9	4.2	4.4	668	1,553
1939	7.4	4.8	2.6	10.6	7.9	6.3	4.3	4.4	685	1,631
1940	7.6	4.8	2.8	11.1	8.4	6.9	4.2	4.5	706	1,681
1941	10.1	6.8	3.3	13.9	11.1	7.8	6.1	6.5	1,031	2,291
1942	14.1	10.1	3.9	18.8	15.6	10.0	8.8	9.9	1,588	3,054
1943	16.5	12.1	4.4	23.4	19.6	11.6	11.8	11.7	1,927	3,322
1944	16.6	12.2	4.4	24.4	20.5	12.3	12.1	11.7	1,950	3,197
1945	17.2	12.8	4.4	25.8	21.7	13.1	12.8	12.3	2,063	3,223
1946	20.0	15.5	4.6	29.5	24.8	14.5	15.0	15.1	2,543	3,582
1947	21.1	15.8	5.3	34.1	29.6	17.0	17.1	15.4	2,615	3,151
1948	23.8	18.0	5.8	34.7	30.2	18.8	15.9	17.7	3,044	3,459
1949	19.5	13.3	6.2	31.6	27.8	18.0	13.6	12.8	2,233	2,627
1950	20.4	14.1	6.3	32.3	28.5	19.4	12.9	13.7	2,421	2,815
1951	22.7	16.2	6.5	37.1	32.9	22.3	14.8	16.0	2,946	3,134
1952	22.1	15.4	6.7	36.8	32.5	22.6	14.1	15.1	2,896	3,048
1953	19.8	13.4	6.4	35.0	31.0	21.3	13.7	13.1	2,626	2,794
1954	18.4	12.5	5.9	33.6	29.8	21.6	12.0	12.5	2,606	2,772
1955	17.6	11.4	6.2	33.1	29.5	21.9	11.2	11.5	2,463	2,593
1956	17.8	11.2	6.6	34.3	30.4	22.4	11.9	11.4	2,535	2,641
1957	17.7	11.0	6.6	34.0	29.7	23.3	10.7	11.3	2,590	2,616
1958	19.5	12.8	6.7	37.9	33.5	25.2	12.7	13.5	3,189	3,189
1959	18.1	11.0	7.0	37.5	33.5	26.1	11.4	11.5	2,795	2,767
1960	18.7	11.5	7.2	38.1	34.2	26.4	11.7	12.1	3,049	2,989
1961	19.7	12.2	7.5	39.8	35.1	27.1	12.6	13.0	3,399	3,332
1962	20.4	12.3	8.2	41.3	36.4	28.6	12.6	13.2	3,586	3,482
1963	20.6	12.1	8.5	42.3	37.4	29.7	12.6	13.2	3,708	3,565
1964	20.6	11.3	9.3	42.6	37.2	29.5	13.1	12.3	3,564	3,394
1965	23.6	13.5	10.0	44.9	39.3	30.9	14.0	15.0	4,487	4,193
1966	24.9	14.4	10.5	49.7	43.3	33.4	16.3	16.3	5,019	4,563
1967	23.9	13.0	10.9	49.0	42.7	34.8	14.2	14.7	4,683	4,144
1968	24.9	13.1	11.8	51.1	44.4	36.3	14.8	14.7	4,805	4,107
1969 p	27.1	14.5	12.6	54.6	47.4	38.6	16.0	16.2	5,468	4,446
	Seasonally adjusted annual rates									
1968: I	....	....	....	50.0	43.4	35.6	14.4	14.9	4,880	4,210
II	....	....	....	50.9	44.2	36.1	14.8	14.4	4,710	4,030
III	....	....	....	51.8	45.0	36.5	15.3	14.9	4,880	4,140
IV	....	....	....	51.9	45.0	37.2	14.7	14.5	4,750	3,990
1969: I	....	....	....	52.9	46.0	37.9	15.0	15.0	5,050	4,170
II	....	....	....	55.1	48.2	38.8	16.3	16.5	5,550	4,510
III	....	....	....	55.3	48.0	38.8	16.5	16.9	5,690	4,630
IV p	....	....	....	55.1	47.5	38.9	16.2	16.4	5,520	4,420

[1] Net income to farm operators including net inventory change, less net income of nonresident operators, plus wages and salaries and other labor income of farm resident workers, less contributions of farm resident operators and workers to social insurance.

[2] Consists of income received by farm residents from nonfarm sources, such as wages and salaries from nonfarm employment, nonfarm business and professional income, rents from nonfarm real estate, dividends, interest, royalties, unemployment compensation, and social security payments.

[3] Cash receipts from marketings, Government payments, and nonmoney income furnished by farms.

[4] Includes net change in inventory of crops and livestock valued at the average price for the year.

[5] Income in current prices divided by the index of prices paid by farmers for family living items on a 1957–59 base.

Source: Department of Agriculture.

TABLE C-80.—*Farm production indexes, 1929–69*

[1957–59=100]

Year	Farm output[1]	Crops: Total[2]	Crops: Feed grains	Crops: Hay and forage	Crops: Food grains	Crops: Vegetables	Crops: Fruits and nuts	Crops: Cotton	Crops: Tobacco	Crops: Oil crops	Livestock and products: Total[3]	Livestock and products: Meat animals	Livestock and products: Dairy products	Livestock and products: Poultry and eggs
1929	62	73	62	79	68	73	75	120	88	13	63	62	75	44
1930	61	69	56	66	74	74	73	113	95	14	64	63	76	45
1931	66	77	63	72	79	75	92	138	89	14	65	66	78	44
1932	64	73	73	74	63	76	75	105	58	13	66	67	79	44
1933	59	65	56	69	47	73	76	105	80	11	67	70	79	44
1934	51	54	33	64	45	80	71	78	63	13	61	59	78	41
1935	61	70	60	82	55	81	90	86	76	21	59	53	78	41
1936	55	59	38	66	54	75	70	101	68	16	63	60	79	44
1937	69	81	67	75	74	82	93	154	91	18	62	58	79	44
1938	67	76	65	81	77	81	84	97	80	22	65	63	81	45
1939	68	75	65	75	63	81	96	96	110	29	70	71	82	48
1940	70	78	66	86	69	83	93	102	84	34	71	72	84	49
1941	73	79	71	86	79	84	99	88	73	37	75	76	89	54
1942	82	89	81	93	83	89	98	105	81	56	84	87	92	62
1943	80	83	74	91	72	97	84	93	81	60	91	97	91	71
1944	83	88	78	90	88	92	98	100	113	50	86	88	92	71
1945	81	85	75	93	92	94	89	74	114	54	86	84	95	74
1946	84	89	82	87	95	105	106	71	134	52	83	82	94	69
1947	81	85	63	84	111	91	101	97	122	55	82	81	93	68
1948	88	97	91	84	107	97	92	122	115	67	80	79	90	67
1949	87	92	80	83	92	94	98	131	114	61	85	83	93	74
1950	86	89	81	89	86	96	98	82	117	71	88	89	93	78
1951	89	91	75	92	85	89	100	124	135	65	92	95	92	81
1952	92	95	79	90	109	90	97	124	130	63	92	95	92	82
1953	93	94	77	92	100	95	98	134	119	63	93	94	97	84
1954	93	93	81	92	88	93	99	111	130	71	96	98	98	87
1955	96	96	86	98	83	96	99	120	127	78	99	103	99	86
1956	97	95	85	94	87	102	103	108	126	92	99	100	101	94
1957	95	93	93	101	82	98	94	89	96	91	97	96	101	95
1958	102	104	101	102	121	102	102	93	100	111	99	98	100	101
1959	103	103	106	97	97	100	104	118	104	98	104	106	99	104
1960	106	108	109	103	115	102	98	116	112	104	102	103	101	104
1961	107	106	99	102	106	108	102	116	119	121	107	107	103	112
1962	108	107	100	106	98	106	103	121	134	122	108	109	104	112
1963	112	111	108	106	102	106	100	125	135	128	111	114	103	115
1964	111	108	95	107	114	101	101	124	129	128	114	117	105	119
1965	114	115	111	112	117	108	106	121	107	153	111	111	103	124
1966	113	111	110	110	118	109	108	78	109	164	114	116	100	132
1967	118	117	124	115	135	112	112	60	114	170	117	120	99	138
1968	120	120	119	114	141	113	109	89	99	192	118	123	98	135
1969 p	121	121	123	117	130	111	131	82	104	196	118	122	98	139

[1] Farm output measures the annual volume of farm production available for eventual human use through sales from farms or consumption in farm households. Total excludes production of seeds and of feed for horses and mules.
[2] Includes production of seeds and of feed for horses and mules and certain items not shown separately.
[3] Includes certain items not shown separately.

Source: Department of Agriculture.

TABLE C-81.—*Farm population, employment, and productivity, 1929–69*

Year	Farm population (April 1)[1]		Farm employment (thousands)[3]			Farm output				Crop production per acre[4]
	Number (thousands)	As percent of total population[2]	Total	Family workers	Hired workers	Per unit of total input	Per man-hour			
							Total	Crops	Livestock and products	
						Index, 1957–59=100				
1929	30,580	25.1	12,763	9,360	3,403	63	28	28	48	69
1930	30,529	24.8	12,497	9,307	3,190	63	28	27	47	64
1931	30,845	24.8	12,745	9,642	3,103	69	30	30	47	72
1932	31,388	25.1	12,816	9,922	2,894	69	30	30	47	68
1933	32,393	25.8	12,739	9,874	2,865	65	28	27	46	61
1934	32,305	25.5	12,627	9,765	2,862	59	27	27	43	51
1935	32,161	25.3	12,733	9,855	2,878	69	31	31	44	66
1936	31,737	24.8	12,331	9,350	2,981	62	29	28	46	56
1937	31,266	24.2	11,978	9,054	2,924	73	33	33	46	76
1938	30,980	23.8	11,622	8,815	2,807	74	35	35	48	73
1939	30,840	23.5	11,338	8,611	2,727	72	35	34	50	74
1940	30,547	23.1	10,979	8,300	2,679	72	36	37	50	76
1941	30,118	22.6	10,669	8,017	2,652	75	39	39	51	77
1942	28,914	21.4	10,504	7,949	2,555	82	42	43	56	86
1943	26,186	19.2	10,446	8,010	2,436	79	42	41	58	78
1944	24,815	17.9	10,219	7,988	2,231	82	44	44	56	83
1945	24,420	17.5	10,000	7,881	2,119	82	46	46	58	82
1946	25,403	18.0	10,295	8,106	2,189	85	49	50	59	86
1947	25,829	17.9	10,382	8,115	2,267	82	50	50	61	82
1948	24,383	16.6	10,363	8,026	2,337	88	56	57	62	92
1949	24,194	16.2	9,964	7,712	2,252	86	57	57	66	85
1950	23,048	15.2	9,926	7,597	2,329	85	61	63	68	84
1951	21,890	14.2	9,546	7,310	2,236	86	62	61	72	85
1952	21,748	13.9	9,149	7,005	2,144	89	68	67	74	90
1953	19,874	12.5	8,864	6,775	2,089	90	71	69	76	89
1954	19,019	11.7	8,651	6,570	2,081	91	74	73	80	88
1955	19,078	11.5	8,381	6,345	2,036	94	80	77	85	91
1956	18,712	11.1	7,853	5,900	1,953	96	86	83	89	92
1957	17,656	10.3	7,600	5,660	1,940	96	91	90	92	93
1958	17,128	9.8	7,503	5,521	1,982	103	103	105	100	105
1959	16,592	9.4	7,342	5,390	1,952	101	106	105	108	102
1960	15,635	8.7	7,057	5,172	1,885	105	115	115	113	109
1961	14,803	8.1	6,919	5,029	1,890	106	122	118	123	112
1962	14,313	7.7	6,700	4,873	1,827	107	129	124	130	115
1963	13,367	7.1	6,518	4,738	1,780	108	138	132	140	118
1964	12,954	6.7	6,110	4,506	1,604	107	144	135	152	115
1965	12,363	6.4	5,610	4,128	1,482	110	156	151	159	122
1966	11,595	5.9	5,214	3,854	1,360	106	164	154	170	119
1967	10,875	5.4	4,903	3,650	1,253	108	174	162	183	122
1968	10,454	5.2	4,746	3,532	1,213	108	182	170	193	126
1969 p	10,300	5.1	4,582	3,429	1,153	108	183	168	198	129

[1] Farm population as defined by Department of Agriculture and Department of Commerce, i.e., civilian population living on farms, regardless of occupation.

[2] Total population of United States as of July 1 including Armed Forces abroad.

[3] Includes persons doing farmwork on all farms. These data, published by the Department of Agriculture, Statistical Reporting Service, differ from those on agricultural employment by the Department of Labor (see Table C-22) because of differences in the method of approach, in concepts of employment, and in time of month for which the data are collected. See monthly report on "Farm Labor."

[4] Computed from variable weights for individual crops produced each year.

Sources: Department of Agriculture and Department of Commerce (Bureau of the Census).

TABLE C–82.—*Indexes of prices received and prices paid by farmers, and parity ratio, 1929–69*

[1957–59=100]

Year or month	Prices received by farmers											
	All farm products [1]	Crops							Livestock and products			
		All crops [1]	Food grains	Feed grains and hay		Cotton	Tobacco	Oil-bearing crops	All livestock and products [1]	Meat animals	Dairy products	Poultry and eggs
				Total	Feed grains							
1929	61	61	55	74	77	57	35	62	62	50	65	102
1930	52	52	44	67	68	40	29	48	52	43	55	81
1931	36	34	27	46	44	24	20	32	38	30	43	62
1932	27	26	21	31	28	19	18	19	28	20	33	51
1933	29	32	31	36	36	26	22	25	27	19	34	47
1934	37	44	43	60	60	39	32	45	32	22	40	56
1935	45	46	46	68	70	38	35	55	44	38	45	74
1936	47	49	51	65	68	38	33	52	46	38	49	73
1937	51	53	57	79	84	36	41	56	49	42	51	70
1938	40	36	35	45	45	27	36	42	43	37	45	69
1939	39	37	34	46	44	28	31	42	41	36	43	61
1940	42	41	40	54	54	32	28	45	42	35	47	62
1941	51	48	46	58	58	43	32	60	53	46	55	77
1942	66	65	57	72	73	60	51	80	66	60	63	96
1943	80	84	70	96	97	64	66	88	77	66	77	121
1944	82	89	78	108	109	66	72	97	76	62	86	112
1945	86	91	81	106	104	69	74	100	82	67	89	126
1946	98	102	95	127	131	91	78	114	94	81	104	127
1947	114	118	128	161	171	105	77	158	111	107	106	141
1948	119	114	118	162	170	104	78	153	122	117	117	153
1949	103	100	103	112	109	94	82	106	106	101	98	140
1950	107	104	106	122	123	108	83	120	108	110	97	118
1951	125	119	115	143	147	129	90	148	130	133	112	144
1952	119	120	116	147	150	119	89	129	119	115	118	130
1953	105	108	111	130	132	102	89	122	104	94	104	140
1954	102	108	110	128	130	105	91	133	97	92	96	113
1955	96	104	107	116	116	104	90	109	90	80	96	121
1956	95	105	106	115	116	103	93	111	88	76	99	112
1957	97	101	106	105	105	101	96	106	94	89	101	102
1958	104	100	98	97	97	97	100	98	106	109	99	108
1959	99	99	96	98	98	102	104	96	100	102	100	90
1960	99	100	96	96	94	97	103	93	98	96	101	101
1961	99	102	99	95	94	100	109	112	98	97	101	92
1962	101	104	107	98	96	104	109	108	99	101	99	92
1963	100	107	106	104	102	104	102	113	95	94	99	92
1964	98	107	90	105	103	100	101	112	91	88	100	90
1965	103	104	77	110	108	94	106	116	101	104	102	92
1966	110	106	87	114	112	82	114	128	113	116	115	102
1967	105	101	84	110	108	73	114	121	107	109	119	84
1968	108	103	76	100	97	74	117	115	112	112	124	90
1969	114	100	73	105	102	66	123	110	125	130	129	102
1968: Jan 15	105	103	80	102	99	73	115	117	107	106	124	84
Feb 15	107	103	82	104	101	66	116	119	109	111	122	84
Mar 15	108	104	82	104	101	66	116	118	110	113	120	84
Apr 15	108	105	79	103	101	65	116	118	109	113	119	81
May 15	108	106	79	104	102	70	116	118	109	113	119	78
June 15	108	103	74	103	101	69	116	118	111	115	117	85
July 15	108	100	71	99	97	70	117	117	114	118	120	91
Aug 15	108	101	70	93	90	84	118	115	113	115	124	92
Sept 15	111	103	71	95	92	85	119	111	116	114	128	105
Oct 15	108	102	73	93	90	86	116	109	113	110	131	94
Nov 15	109	103	75	98	96	78	119	111	113	109	132	97
Dec 15	108	100	73	100	97	70	120	112	115	111	131	103
1969: Jan 15	109	99	73	102	99	62	119	113	116	113	130	105
Feb 15	110	101	74	104	101	64	120	114	117	118	128	99
Mar 15	112	102	74	103	99	66	120	113	119	122	126	101
Apr 15	112	102	74	105	102	67	121	114	120	125	124	95
May 15	117	106	74	109	107	65	121	115	124	136	122	85
June 15	117	103	71	109	107	69	121	114	128	142	121	88
July 15	117	100	67	107	106	70	122	114	129	138	124	101
Aug 15	115	99	68	105	103	67	125	109	128	137	127	97
Sept 15	114	96	72	104	102	63	127	102	127	132	131	104
Oct 15	115	97	74	104	101	70	126	102	127	130	136	102
Nov 15	118	102	75	102	99	69	125	105	129	129	138	116
Dec 15	118	99	75	103	100	65	124	106	133	133	137	126

See footnotes at end of table.

TABLE C–82.—*Indexes of prices received and prices paid by farmers, and parity ratio, 1929–69*—Continued

[1957–59=100]

Year or month	Prices paid by farmers: All items, interest, taxes, and wage rates (parity index)	Commodities and services: All items	Commodities and services: Family living items	Production items: All production items [1]	Production items: Feed	Production items: Motor vehicles	Production items: Farm machinery	Production items: Fertilizer	Interest [2]	Taxes [3]	Wage rates [4]	Parity ratio [5]
1929	55	55	54	56	68	36	43	85	116	56	32	92
1930	52	51	50	52	61	35	43	83	113	57	30	83
1931	44	44	43	43	43	35	42	75	108	56	24	67
1932	38	38	37	38	32	34	40	66	101	51	18	58
1933	37	38	38	38	37	34	39	61	90	44	15	64 (66)
1934	41	43	43	44	52	36	40	69	80	38	17	75 (80)
1935	42	45	43	46	53	37	41	68	74	36	18	88 (95)
1936	42	45	43	46	55	38	42	64	68	36	20	92 (95)
1937	45	48	45	50	62	39	43	67	64	36	22	93 (97)
1938	42	45	43	47	47	42	44	67	60	38	22	78 (83)
1939	42	44	42	46	47	40	43	66	58	37	22	77 (85)
1940	42	45	42	47	50	40	43	64	56	38	22	81 (88)
1941	45	48	45	50	54	42	43	64	54	38	26	93 (98)
1942	52	55	52	57	66	45	46	71	51	38	34	105 (109)
1943	58	61	58	63	78	47	48	76	46	37	45	113 (116)
1944	62	64	61	66	87	51	49	77	43	37	54	108 (110)
1945	65	66	64	67	86	53	49	79	41	39	62	109 (111)
1946	71	72	71	73	100	55	51	79	40	43	66	113 (115)
1947	82	85	83	85	118	63	58	88	42	48	72	115 (116)
1948	89	92	88	95	125	71	67	96	43	56	76	110 (111)
1949	86	88	85	91	103	78	76	98	45	60	74	100 (100)
1950	87	90	86	94	105	78	78	94	49	65	73	101 (102)
1951	96	100	94	104	118	83	83	100	54	68	81	107 (108)
1952	98	100	95	104	126	87	86	102	59	71	87	100 (101)
1953	95	96	94	97	114	86	87	103	63	74	88	92 (93)
1954	95	96	94	97	113	86	87	102	68	77	88	89 (89)
1955	94	95	95	96	106	87	87	101	74	81	89	84 (85)
1956	95	96	96	95	103	89	92	100	83	87	92	83 (84)
1957	98	98	99	98	101	96	96	100	91	93	96	82 (85)
1958	100	101	100	100	99	100	100	100	100	100	99	85 (88)
1959	102	101	101	102	100	104	104	100	109	107	105	81 (82)
1960	102	101	102	101	98	102	107	100	120	117	109	80 (81)
1961	103	101	102	101	98	102	110	100	131	125	110	79 (83)
1962	105	103	103	103	100	105	111	100	145	132	114	80 (83)
1963	107	104	104	104	104	109	113	100	162	139	116	78 (81)
1964	107	104	105	103	103	111	116	99	182	147	119	76 (80)
1965	110	106	107	105	104	113	119	100	206	156	125	77 (82)
1966	114	109	110	108	109	117	124	100	231	165	135	80 (86)
1967	116	111	113	109	106	121	129	100	255	179	146	74 (80)
1968	121	114	117	111	102	128	135	97	283	192	158	74 (79)
1969	127	119	123	116	103	133	142	94	315	206	174	74 (80)
1968: Jan 15	118	112	115	110	103	......	......	100	283	192	150	73 (79)
Feb 15	119	113	116	111	104	......	......	100	283	192	150	74 (80)
Mar 15	120	113	116	111	103	126	133	100	283	192	150	74 (80)
Apr 15	121	114	117	111	103	......	......	98	283	192	157	74 (80)
May 15	121	114	117	112	103	129	......	98	283	192	157	73 (79)
June 15	121	114	117	112	102	129	136	98	283	192	157	73 (79)
July 15	121	114	118	112	101	......	......	98	283	192	159	74 (79)
Aug 15	121	114	118	111	99	......	......	98	283	192	159	74 (79)
Sept 15	122	115	118	111	100	128	138	96	283	192	159	75 (81)
Oct 15	122	115	119	111	99	......	......	96	283	192	166	73 (79)
Nov 15	123	115	119	112	101	130	......	96	283	192	166	73 (79)
Dec 15	123	116	119	113	101	130	139	96	283	192	166	73 (79)
1969: Jan 15	124	116	120	113	102	......	......	96	315	206	166	72 (78)
Feb 15	125	117	120	114	102	......	......	96	315	206	166	73 (79)
Mar 15	126	118	122	115	102	132	140	96	315	206	166	73 (79)
Apr 15	127	118	122	116	103	......	......	94	315	206	177	73 (79)
May 15	128	120	123	117	104	133	......	94	315	206	177	75 (82)
June 15	128	120	123	117	103	133	143	94	315	206	177	76 (82)
July 15	128	120	123	116	103	......	......	94	315	206	174	75 (82)
Aug 15	127	119	123	116	103	......	......	94	315	206	174	75 (81)
Sept 15	128	120	124	116	103	133	145	93	315	206	174	74 (79)
Oct 15	128	120	124	116	102	......	......	93	315	206	179	74 (80)
Nov 15	129	120	125	117	102	135	......	93	315	206	179	76 (82)
Dec 15	129	121	125	117	104	......	......	93	315	206	179	76 (82)

[1] Includes items not shown separately.
[2] Interest payable per acre on farm real estate debt.
[3] Farm real estate taxes payable per acre (levied in preceding year).
[4] Monthly data are seasonally adjusted.
[5] Percentage ratio of prices received for all farm products to parity index, on a 1910–14=100 base. The adjusted parity ratio (shown in parentheses in the table) reflects Government payments made directly to farmers.

Source: Department of Agriculture.

TABLE C-83.—*Selected measures of farm resources and inputs, 1929–69*

Year	Crops harvested (millions of acres) [1]	Man-hours of farm work (billions)	Index numbers of inputs (1957–59=100)						
			Total	Farm labor	Farm real estate [2]	Mechanical power and machinery	Fertilizer and liming materials	Feed, seed, and livestock purchases [3]	Miscellaneous
1929	365	23.2	98	218	92	38	21	27	76
1930	369	22.9	97	216	91	40	21	26	76
1931	365	23.4	96	220	89	38	16	23	78
1932	371	22.6	93	213	86	35	11	24	79
1933	340	22.6	91	212	87	32	12	24	76
1934	304	20.2	86	190	86	32	14	24	69
1935	345	21.1	88	198	88	33	17	23	66
1936	323	20.4	89	192	89	35	20	31	68
1937	347	22.1	94	208	90	38	24	29	68
1938	349	20.6	91	193	91	40	23	30	70
1939	331	20.7	94	194	92	40	24	37	72
1940	341	20.5	97	192	92	42	28	45	73
1941	344	20.0	97	188	92	44	30	46	74
1942	348	20.6	100	194	91	48	34	57	75
1943	357	20.3	101	191	89	50	38	63	76
1944	362	20.2	101	190	88	51	43	64	76
1945	354	18.8	99	177	88	54	45	72	76
1946	352	18.1	99	170	91	58	53	69	77
1947	355	17.2	99	162	92	64	56	73	78
1948	356	16.8	100	158	95	72	57	72	74
1949	360	16.2	101	152	95	80	61	69	82
1950	345	15.1	101	142	97	86	68	72	85
1951	344	15.2	104	143	98	92	73	80	88
1952	349	14.5	103	136	99	96	80	81	88
1953	348	14.0	103	131	99	97	83	80	91
1954	346	13.3	102	125	100	98	88	82	91
1955	340	12.8	102	120	100	99	90	86	94
1956	324	12.0	101	113	99	99	91	91	98
1957	324	11.1	99	104	100	100	94	93	95
1958	324	10.5	99	99	100	99	97	101	100
1959	324	10.3	102	97	100	101	109	106	105
1960	324	9.8	101	92	101	104	111	109	106
1961	303	9.4	101	88	101	101	117	111	109
1962	295	9.0	101	84	103	100	125	117	113
1963	300	8.7	104	81	104	104	141	123	117
1964	301	8.2	104	77	106	102	155	126	120
1965	298	7.8	104	73	106	105	162	127	120
1966	295	7.4	107	69	107	110	182	136	123
1967	308	7.3	109	68	108	112	203	139	127
1968	303	7.0	111	66	107	114	214	143	130
1969 p	294	7.0	112	66	107	115	217	147	134

[1] Acreage harvested (excluding duplication) plus acreages in fruits, tree nuts, and farm gardens.
[2] Includes service buildings and improvements on land.
[3] Nonfarm portion of feed, seed, and livestock purchases.

Source: Department of Agriculture.

TABLE C-84.—*Comparative balance sheet of agriculture, 1929–70*

[Billions of dollars]

Beginning of year	Assets									Claims			
	Total	Real estate	Other physical assets				Financial assets			Total	Real estate debt	Other debt	Proprietors' equities
			Livestock [1]	Machinery and motor vehicles	Crops [2]	Household equipment and furnishings	Deposits and currency	U.S. savings bonds	Investment in cooperatives				
1929	...	48.0	6.6	3.2	...	...	...	...	...	...	9.8	...	...
1930	68.5	47.9	6.5	3.4	2.5	4.0	3.6	...	0.6	68.5	9.6	5.0	53.9
1931	...	43.7	4.9	3.3	...	...	...	...	...	...	9.4	...	...
1932	...	37.2	3.6	3.0	...	...	...	...	...	...	9.1	...	...
1933	...	30.8	3.0	2.5	...	...	...	...	...	...	8.5	...	...
1934	...	32.2	3.2	2.2	...	...	...	...	...	...	7.7	...	...
1935	...	33.3	3.5	2.2	...	...	...	...	...	...	7.6	...	...
1936	...	34.3	5.2	2.4	...	...	...	...	...	...	7.4	...	...
1937	...	35.2	5.1	2.6	...	...	...	...	...	...	7.2	...	...
1938	...	35.2	5.0	3.0	...	...	...	...	...	...	7.0	...	...
1939	...	34.1	5.1	3.2	...	...	...	...	...	...	6.8	...	...
1940	52.9	33.6	5.1	3.1	2.7	4.2	3.2	0.2	.8	52.9	6.6	3.4	42.9
1941	55.0	34.4	5.3	3.3	3.0	4.2	3.5	.4	.9	55.0	6.5	3.9	44.6
1942	62.9	37.5	7.1	4.0	3.8	4.9	4.2	.5	.9	62.9	6.4	4.1	52.4
1943	73.7	41.6	9.6	4.9	5.1	5.0	5.4	1.1	1.0	73.7	6.0	4.0	63.7
1944	84.6	48.2	9.7	5.4	6.1	5.3	6.6	2.2	1.1	84.6	5.4	3.5	75.7
1945	94.2	53.9	9.0	6.5	6.7	5.6	7.9	3.4	1.2	94.2	4.9	3.4	85.9
1946	103.5	61.0	9.7	5.4	6.3	6.1	9.4	4.2	1.4	103.5	4.8	3.2	95.5
1947	116.4	68.5	11.9	5.3	7.1	7.7	10.2	4.2	1.5	116.4	4.9	3.6	107.9
1948	127.9	73.7	13.3	7.4	9.0	8.5	9.9	4.4	1.7	127.9	5.1	4.2	118.6
1949	134.9	76.6	14.4	10.1	8.6	9.1	9.6	4.6	1.9	134.9	5.3	6.1	123.5
1950	132.5	75.3	12.9	12.2	7.6	8.6	9.1	4.7	2.1	132.5	5.6	6.8	120.1
1951	151.5	86.6	17.1	14.1	7.9	9.7	9.1	4.7	2.3	151.5	6.1	7.0	138.4
1952	167.0	95.1	19.5	16.7	8.8	10.3	9.4	4.7	2.5	167.0	6.7	8.0	152.3
1953	164.3	96.5	14.8	17.4	9.0	9.9	9.4	4.6	2.7	164.3	7.2	8.9	148.2
1954	161.2	95.0	11.7	18.4	9.2	9.9	9.4	4.7	2.9	161.2	7.7	9.2	144.3
1955	165.1	98.2	11.2	18.6	9.6	10.0	9.4	5.0	3.1	165.1	8.2	9.4	147.5
1956	169.6	102.9	10.6	19.3	8.3	10.5	9.5	5.2	3.3	169.6	9.0	9.8	150.8
1957	178.0	110.4	11.0	20.3	8.3	10.0	9.4	5.1	3.5	178.0	9.8	9.6	158.6
1958	185.8	115.9	13.9	20.2	7.6	9.9	9.5	5.1	3.7	185.8	10.4	10.0	165.4
1959	202.2	124.4	17.7	21.8	9.3	9.8	10.0	5.2	4.0	202.2	11.1	12.5	178.6
1960	203.1	130.2	15.2	22.2	7.7	9.6	9.2	4.7	4.3	203.1	12.1	12.7	178.3
1961	204.0	131.7	15.6	21.8	8.0	8.9	8.7	4.6	4.7	204.0	12.8	13.4	177.8
1962	212.9	138.0	16.4	22.3	8.8	9.1	8.8	4.5	5.0	212.9	13.9	14.8	184.2
1963	221.0	143.8	17.3	22.7	9.3	9.0	9.2	4.4	5.3	221.0	15.2	16.5	189.3
1964	229.8	152.1	15.8	24.1	9.8	8.9	9.2	4.2	5.7	229.8	16.8	18.1	194.9
1965	238.5	160.9	14.5	25.5	9.2	8.6	9.6	4.2	6.0	238.5	18.9	18.6	201.0
1966	256.0	172.5	17.5	27.1	9.7	8.6	10.0	4.1	6.5	256.0	21.2	20.4	214.4
1967	269.9	182.5	18.9	28.9	10.0	8.4	10.3	3.9	7.0	269.9	23.3	22.4	224.2
1968	283.4	193.1	18.8	31.1	9.6	8.7	10.9	3.8	7.4	283.4	25.5	24.9	233.0
1969	298.0	202.6	20.1	32.6	10.5	9.1	11.5	3.8	7.8	298.0	27.1	27.5	243.4
1970 p	307.1	208.6	74.7				23.8			307.1	28.7	29.4	249.0

[1] Beginning with 1961, horses and mules are excluded.
[2] Includes all crops held on farms and crops held off farms by farmers as security for Commodity Credit Corporation loans. The latter on January 1, 1969, totaled $1,188 million.

Source: Department of Agriculture.

TABLE C–85.—*United States balance of payments, 1946–69*

[Millions of dollars]

Year or quarter	Exports of goods and services: Total	Exports: Merchandise [1]	Exports: Military sales	Exports: Income on investments: Private	Exports: Income on investments: Government	Exports: Other services	Imports of goods and services: Total	Imports: Merchandise [1]	Imports: Military expenditures	Imports: Other services	Balance on goods and services	Remittances and pensions
1946	14,792	11,764	(8)	751	21	2,256	—6,985	—5,067	—493	—1,425	7,807	—648
1947	19,819	16,097	(8)	1,036	66	2,620	—8,202	—5,973	—455	—1,774	11,617	—728
1948	16,861	13,265	(8)	1,238	102	2,256	—10,343	—7,557	—799	—1,987	6,518	—631
1949	15,834	12,213	(8)	1,297	98	2,226	—9,616	—6,874	—621	—2,121	6,218	—641
1950	13,893	10,203	(8)	1,484	109	2,097	—12,001	—9,081	—576	—2,344	1,892	—533
1951	18,864	14,243	(8)	1,684	198	2,739	—15,047	—11,176	—1,270	—2,601	3,817	—480
1952	18,122	13,449	(8)	1,624	204	2,845	—15,766	—10,838	—2,054	—2,874	2,356	—571
1953	17,078	12,412	192	1,658	252	2,564	—16,546	—10,975	—2,615	—2,956	532	—644
1954	17,889	12,929	182	1,955	272	2,551	—15,930	—10,353	—2,642	—2,935	1,959	—633
1955	19,948	14,424	200	2,170	274	2,880	—17,795	—11,527	—2,901	—3,367	2,153	—597
1956	23,772	17,556	161	2,468	194	3,393	—19,627	—12,803	—2,949	—3,875	4,145	—690
1957	26,653	19,562	375	2,612	205	3,899	—20,752	—13,291	—3,216	—4,245	5,901	—729
1958	23,217	16,414	300	2,538	307	3,658	—20,861	—12,952	—3,435	—4,474	2,356	—745
1959	23,652	16,458	302	2,694	349	3,849	—23,342	—15,310	—3,107	—4,925	310	—815
1960	27,488	19,650	335	3,000	348	4,155	—23,355	—14,744	—3,087	—5,523	4,133	—596
1961	28,770	20,107	402	3,561	381	4,318	—23,148	—14,519	—2,998	—5,631	5,622	—632
1962	30,506	20,779	656	3,948	471	4,651	—25,357	—16,218	—3,105	—6,035	5,149	—695
1963	32,601	22,252	657	4,151	498	5,043	—26,617	—17,011	—2,961	—6,647	5,984	—798
1964	37,271	25,478	747	4,930	456	5,659	—28,691	—18,647	—2,880	—7,164	8,580	—809
1965	39,399	26,447	830	5,384	509	6,230	—32,278	—21,496	—2,952	—7,831	7,121	—950
1966	43,360	29,389	829	5,659	593	6,891	—38,081	—25,463	—3,764	—8,854	5,279	—923
1967	46,188	30,681	1,240	6,234	638	7,394	—41,011	—26,821	—4,378	—9,813	5,177	—1,196
1968	50,594	33,598	1,427	6,934	765	7,871	—48,078	—32,972	—4,530	—10,577	2,516	—1,159
1969 [10]	54,275	35,489	1,564	7,887	951	8,384	—52,405	—35,193	—4,813	—12,399	1,869	—1,152
	Seasonally adjusted annual rates											
1967: I	45,844	30,752	1,332	5,824	624	7,312	—40,400	—26,640	—4,340	—9,420	5,444	—944
II	45,936	30,892	1,340	5,680	640	7,384	—40,132	—25,860	—4,300	—9,972	5,804	—1,464
III	46,308	30,676	956	6,596	608	7,472	—40,692	—26,168	—4,424	—10,100	5,616	—1,360
IV	46,668	30,404	1,328	6,836	680	7,420	—42,824	—28,616	—4,448	—9,760	3,844	—1,012
1968: I	47,736	31,764	1,220	6,248	836	7,668	—45,852	—31,268	—4,408	—10,176	1,884	—1,104
II	50,672	33,580	1,412	7,072	820	7,788	—47,308	—32,524	—4,464	—10,320	3,364	—1,096
III	53,376	35,516	1,624	7,312	848	8,076	—49,740	—34,264	—4,572	—10,904	3,636	—1,300
IV	50,612	33,532	1,456	7,108	560	7,956	—49,408	—33,832	—4,676	—10,900	1,204	—1,140
1969: I	47,652	29,876	1,672	7,544	936	7,624	—46,200	—30,288	—4,816	—11,096	1,452	—1,084
II	56,980	38,352	1,336	7,672	932	8,688	—55,768	—38,364	—4,832	—12,572	1,212	—1,144
III p	58,192	38,240	1,684	8,444	984	8,840	—55,248	—36,928	—4,792	—13,528	2,944	—1,228

See footnotes at end of table.

TABLE C-85.—*United States balance of payments, 1946–69*—Continued

[Millions of dollars]

Year or quarter	U.S. Government grants and capital, net [2]	U.S. private capital, net			Foreign capital, net [2]	Errors and omissions	Balance		Changes in selected liabilities (decrease (—)) [5]			Changes in gold, convertible currencies, and IMF gold tranche position (increase (—))
		Direct investment	Other long-term	Short-term			Liquidity basis [3]	Official reserve transactions basis [4]	To foreign official holders [6]		To other foreign holders [7]	
									Liquid	Nonliquid		
1946	—5,293	—230	127	—310	—615	155	993	......	......	......	......	—623
1947	—6,121	—749	—49	—189	—432	861	4,210	......	......	......	......	—3,315
1948	—4,918	—721	—69	—116	—361	1,115	817	......	......	......	......	—1,736
1949	—5,649	—660	—80	187	44	717	136	......	......	......	......	—266
1950	—3,640	—621	—495	—149	181	—124	—3,489	......	......	......	......	1,758
1951	—3,191	—508	—437	—103	540	354	—8	......	......	......	......	—33
1952	—2,380	—852	—214	—94	52	497	—1,206	......	......	......	......	—415
1953	—2,055	—735	185	167	146	220	—2,184	......	......	......	......	1,256
1954	—1,554	—667	—320	—635	249	60	—1,541	......	......	......	......	480
1955	—2,211	—823	—241	—191	297	371	—1,242	......	......	......	......	182
1956	—2,362	—1,951	—603	—517	615	390	—973	......	......	......	......	—869
1957	—2,574	—2,442	—859	—276	545	1,012	578	......	......	......	......	—1,165
1958	—2,587	—1,181	—1,444	—311	186	361	—3,365	......	......	......	......	2,292
1959	—1,986	—1,372	—926	—77	736	260	—3,870	......	......	......	......	1,035
1960	—2,768	—1,674	—855	—1,349	364	—1,156	—3,901	—3,403	[9] 1,448	......	308	2,145
1961	—2,779	—1,598	—1,025	—1,556	702	—1,103	—2,371	—1,347	[9] 681	......	1,084	606
1962	—3,013	—1,654	—1,227	—546	1,026	—1,246	—2,204	—2,702	[9] 457	250	214	1,533
1963	—3,578	—1,976	—1,698	—785	690	—509	—2,670	—2,011	1,673	—39	620	377
1964	—3,564	—2,328	—2,103	—2,147	689	—1,118	—2,800	—1,564	1,075	318	1,554	171
1965	—3,406	—3,468	—1,079	753	270	—576	—1,335	—1,289	—18	85	131	1,222
1966	—3,444	—3,639	—256	—415	2,531	—489	—1,357	266	—1,595	761	2,384	568
1967	—4,223	—3,154	—1,292	—1,209	3,360	—1,007	—3,544	—3,418	2,020	1,346	1,472	52
1968	—3,955	—3,025	—1,082	—1,049	8,565	—642	168	1,638	—3,099	2,341	3,811	—880
1969 [10]	—4,000	—4,107	—1,505	—623	3,039	—4,319	—10,795	1,949	......	......	......	......
	Seasonally adjusted annual rates								Quarterly totals unadjusted			
1967: I	—4,436	—2,868	—552	—852	3,468	—1,232	—1,980	—6,844	—80	332	—709	1,027
II	—3,996	—2,132	—1,004	—920	4,884	—2,496	—1,320	—2,876	540	589	90	—419
III	—4,168	—3,788	—2,068	—1,244	3,168	—276	—4,124	—284	260	135	1,331	—375
IV	—4,288	—3,824	—1,544	—1,820	1,924	—24	—6,752	—3,668	1,300	290	760	—181
1968: I	—4,388	—1,888	—548	—788	6,220	—1,640	—2,256	—1,516	—1,358	363	721	904
II	—4,220	—4,036	—588	—1,524	10,068	—1,920	36	6,212	—2,190	777	2,222	—137
III	—3,872	—5,048	—916	—1,508	7,220	1,236	—556	388	—38	537	1,017	—571
IV	—3,340	—1,132	—2,280	—376	10,752	—240	3,448	1,468	487	664	—149	—1,076
1969: I	—3,172	—3,712	—1,024	—628	6,532	—5,040	—6,680	4,576	—1,708	45	3,031	—48
II	—4,620	—4,228	—1,708	—2,072	1,420	—4,352	—15,484	4,944	—543	—360	4,654	—299
III p	—4,208	—4,380	—1,784	832	1,164	—3,564	—10,220	—3,672	2,239	—515	1,370	—686

[1] Adjusted from customs data for differences in timing and coverage.
[2] Includes certain special Government transactions.
[3] Equals changes in liquid liabilities to foreign official holders, other foreign holders, and changes in official reserve assets consisting of gold, convertible currencies, and the U.S. gold tranche position in the IMF.
[4] Equals changes in liquid and nonliquid liabilities to foreign official holders and changes in official reserve assets consisting of gold, convertible currencies, and the U.S. gold tranche position in the IMF.
[5] Includes short-term official and banking liabilities, foreign holdings of U.S. Government bonds and notes, and certain nonliquid liabilities to foreign official holders.
[6] Central banks, governments, and U.S. liabilities to the IMF arising from reversible gold sales to, and gold deposits with, the United States.
[7] Private holders; includes banks and international and regional organizations; excludes IMF.
[8] Not reported separately.
[9] Includes change in Treasury liabilities to certain foreign military agencies; excluding these changes, data ($ millions) are 1,258 (1960), 741 (1961), 918 (1962).
[10] Average of the first 3 quarters on a seasonally adjusted annual rates basis.

Note.—Data exclude military grant-aid and U.S. subscriptions to International Monetary Fund.

Source: Department of Commerce, Office of Business Economics.

TABLE C-86.—*United States merchandise exports and imports, by commodity groups, 1958–69*

[Millions of dollars]

Year or quarter	Merchandise exports [1]						Merchandise imports					Gross merchandise trade surplus, seasonally adjusted [7]
	Total, including reexports [2]		Domestic exports				General imports [4]					
	Seasonally adjusted	Unadjusted	Total [2,3]	Food, beverages, and tobacco	Crude materials and fuels [4]	Manufactured goods [5]	Total [4]: Seasonally adjusted	Total [4]: Unadjusted	Food, beverages, and tobacco	Crude materials and fuels [5]	Manufactured goods [6]	
1958		16,375	16,211	2,688	3,052	11,547		13,392	3,550	4,164	5,311	2,983
1959		16,426	16,243	2,852	2,996	11,179		15,690	3,580	4,615	7,117	736
1960		19,659	19,459	3,167	3,942	12,583		15,073	3,392	4,418	6,863	4,586
1961		20,226	19,982	3,466	3,864	12,784		14,761	3,455	4,334	6,537	5,465
1962		20,986	20,717	3,743	3,356	13,668		16,464	3,674	4,691	7,649	4,522
1963		22,467	22,182	4,188	3,775	14,297		17,207	3,863	4,755	8,070	5,260
1964		25,832	25,479	4,637	4,337	16,529		18,749	4,022	5,029	9,106	7,083
1965		26,751	26,408	4,520	4,275	17,439		21,429	4,013	5,440	11,245	5,322
1966		29,490	29,054	5,186	4,404	19,218		25,618	4,590	5,718	14,446	3,872
1967		31,030	30,646	4,710	4,726	20,844		26,889	4,701	5,367	15,756	4,141
1968		34,063	33,626	4,592	4,864	23,819		33,226	5,365	6,031	20,624	837
1969 p		37,314	36,770	4,446	5,008	26,764		36,052	5,309	6,391	23,021	1,262
1967: I	7,779	7,713	7,618	1,127	1,160	5,229	6,718	6,636	1,213	1,396	3,814	1,061
II	7,783	8,012	7,912	1,157	1,208	5,476	6,525	6,606	1,125	1,348	3,858	1,258
III	7,772	7,281	7,184	1,131	1,123	4,836	6,605	6,422	1,100	1,260	3,790	1,167
IV	7,772	8,024	7,933	1,295	1,235	5,303	7,157	7,226	1,264	1,363	4,293	615
1968: I	8,028	8,022	7,922	1,195	1,180	5,465	7,867	7,764	1,257	1,443	4,804	161
II	8,465	8,704	8,596	1,090	1,217	6,182	8,151	8,256	1,308	1,463	5,180	314
III	9,019	8,425	8,317	1,122	1,174	5,955	8,548	8,457	1,430	1,570	5,142	471
IV	8,581	8,911	8,792	1,185	1,293	6,217	8,527	8,750	1,369	1,555	5,499	54
1969 [8]: I	7,586	7,568	7,451	699	878	5,774	7,654	7,420	1,013	1,479	4,655	−68
II	9,859	10,150	10,009	1,256	1,389	7,264	9,641	9,787	1,478	1,641	6,328	218
III	9,882	9,276	9,137	1,148	1,238	6,613	9,302	9,195	1,331	1,583	5,931	580
IV	9,975	10,348	10,201	1,342	1,508	7,135	9,443	9,667	1,487	1,692	6,074	532

[1] Beginning 1960, data have been adjusted for comparability with the revised commodity classifications effective in 1965.
[2] Totals exclude Department of Defense shipments of grant-aid military supplies and equipment under the Military Assistance Program.
[3] Total arrivals of imported goods other than intransit shipments.
[4] Total includes commodities and transactions not classified according to kind.
[5] Includes fats and oils.
[6] Includes machinery, transportation equipment, chemicals, metals, and other manufactures. Export data for these items include military grant-aid shipments.
[7] Exports, excluding military grant-aid, less general imports; quarterly data seasonally adjusted.
[8] Quarterly data have not been revised and therefore do not add up to annual totals, which are based on more recent data.

Note.—Data are as reported by the Bureau of the Census adjusted to include silver ore and bullion reported separately prior to 1969. Export statistics cover all merchandise shipped from the U.S. customs area, except supplies for U.S. Armed Forces. Export values are f.a.s. port of export and include shipments under Agency for International Development and Food for Peace programs as well as other private relief shipments. Import values are defined generally as the market value in the foreign country, excluding the U.S. import duty and transportation costs such as ocean freight and marine insurance.

Source: Department of Commerce, Bureau of International Commerce.

TABLE C-87.—*United States merchandise exports and imports, by area, 1963–69*

[Millions of dollars]

Area	1963	1964	1965	1966	1967	1968	1969 p
Exports (including reexports and special category shipments):							
Total	23,387	26,650	27,530	30,430	31,622	34,636	37,988
Developed countries	15,164	17,343	18,366	20,120	21,467	23,600	26,458
Developing countries	8,057	8,967	9,023	10,112	9,960	10,821	11,281
Canada	4,261	4,921	5,658	6,679	7,172	8,072	9,138
Other Western Hemisphere	3,692	4,293	4,275	4,769	4,718	5,339	5,576
Western Europe [1]	8,198	9,222	9,257	9,891	10,187	11,132	12,370
Eastern Europe	167	340	140	198	195	215	249
Asia	5,450	5,811	6,015	6,740	7,150	7,582	8,265
Australia and Oceania	565	804	956	805	1,018	1,026	998
Africa	1,054	1,259	1,229	1,348	1,182	1,270	1,392
General imports: Total	17,207	18,749	21,429	25,618	26,889	33,226	36,052
Developed countries	10,832	11,924	14,101	17,632	18,993	24,130	26,465
Developing countries	6,283	6,711	7,174	7,795	7,709	8,886	9,377
Canada	3,851	4,265	4,858	6,152	7,140	9,005	10,390
Other Western Hemisphere	4,063	4,185	4,399	4,737	4,662	5,143	5,165
Western Europe [1]	4,731	5,209	6,155	7,679	8,052	10,139	10,140
Eastern Europe	81	99	137	179	177	198	196
Asia	3,192	3,620	4,528	5,277	5,349	6,911	8,276
Australia and Oceania	504	442	455	596	583	697	828
Africa	778	917	883	992	920	1,122	1,045
Unidentified countries [2]	7	12	14	6	6	11	12

[1] Includes Finland, Yugoslavia, Greece, and Turkey.
[2] Consists of certain low-valued shipments not identified by country.

Note.—Developed countries include Canada, Western Europe, Japan, Australia, New Zealand, and the Republic of South Africa. Developing countries include rest of the world except Communist areas in Eastern Europe and Asia and unidentified countries.

Source: Department of Commerce, Bureau of International Commerce.

TABLE C–88.—*United States overseas loans and grants, by type and area, fiscal years, 1962–69*

[Millions of dollars]

Type of program and fiscal period	Total	Near East and South Asia	Latin America	Vietnam	East Asia	Africa	Europe	Other and non-regional
Total economic loans and grants (net obligations and loan authorizations):[1]								
1962–68 average	4,734	1,534	1,191	361	520	388	258	482
Loans	2,545	1,154	771	*	197	172	216	35
Grants	2,189	380	420	362	323	216	42	447
1969	3,936	781	1,022	358	774	326	163	513
Loans	2,023	604	555	*	498	143	152	72
Grants	1,912	178	467	358	275	183	11	441
Economic loans and grants to less developed countries, by program:[2]								
Net obligations and loan authorizations:								
1962–68 average	4,526	1,534	1,191	361	449	388	146	457
1969	3,687	781	1,022	358	665	326	83	453
Repayments and interest:								
1962–68 average	719	260	290	10	55	31	67	6
1969	1,080	414	411	5	73	58	113	5
Agency for International Development:								
Net obligations and loan authorizations:								
1962–68 average	2,239	718	548	282	227	196	2	268
1969	1,449	285	290	259	200	108	*	308
Repayments and interest:								
1962–68 average	207	114	24	10	22	18	17	3
1969	301	163	49	5	31	24	27	1
Export-Import Bank long-term loans:								
Loan authorizations:								
1962–68 average	404	93	196	----	27	30	58	----
1969	537	68	289	----	40	58	81	----
Repayments and interest:								
1962–68 average	383	74	245	----	25	10	29	----
1969	546	113	317	----	28	24	64	----
Food for Peace:								
Obligations:								
1962–68 average	1,389	710	162	79	160	140	87	50
1969	1,212	416	115	99	397	139	2	45
Repayments and interest:								
1962–68 average	107	68	11	*	5	2	22	----
1969	198	133	20	----	14	10	22	----
Contributions and Subscriptions to International Lending Organizations:[3]								
Obligations:								
1962–68 average	267	----	181	----	----	----	----	86
1969	320	----	300	----	----	----	----	20
Peace Corps and other:[4]								
Obligations:								
1962–68 average	228	13	104	----	35	22	----	54
1969	170	12	28	----	29	22	----	80
Repayments and interest:								
1962–68 average	22	5	10	----	3	1	----	3
1969	34	4	25	----	1	----	----	4

[1] Some data are preliminary.

[2] Countries have been classified "less developed" on the basis of the standard list of less developed countries used by the Development Assistance Committee of the Organization for Economic Cooperation and Development. On this basis, "less developed" countries include all countries receiving U.S. loans or grants except the following which are considered "developed": Japan, Australia, New Zealand, Republic of South Africa, Canada, and all of Europe except Malta, Spain and Yugoslavia.

[3] Includes capital subscriptions and contributions to the Inter-American Development Bank, the International Development Association, and the Asian Development Bank.

[4] Data for certain programs from Department of Commerce (Office of Business Economics).

Source: Agency for International Development (except as noted).

TABLE C-89.—*International reserves, 1949, 1953, and 1964–69*

[Millions of dollars; end of period]

Area and country	1949	1953	1964	1965	1966	1967	1968	1969 p September	1969 p December
All countries	45,635	51,780	68,740	70,520	71,980	73,600	76,565	79,615	....
Developed areas	37,245	41,375	59,015	59,540	60,330	61,145	62,940	64,925	....
United States	26,024	23,458	16,672	15,450	14,882	14,830	15,710	16,743	16,964
United Kingdom	1,752	2,670	2,316	3,004	3,100	2,695	2,422	2,434	2,527
Other Western Europe	6,455	10,500	32,350	33,665	35,040	36,540	35,780	36,450	....
Austria	92	325	1,317	1,311	1,333	1,484	1,510	1,445	1,537
Belgium	978	1,144	2,222	2,334	2,350	2,590	2,187	2,176	2,386
France	580	829	5,724	6,343	6,733	6,994	4,201	4,006	3,833
Germany	196	1,773	7,882	7,429	8,028	8,152	9,948	12,178	7,134
Italy	(1)	768	3,824	4,800	4,911	5,463	5,342	5,370	5,005
Netherlands	434	1,232	2,349	2,416	2,448	2,619	2,463	2,365	2,529
Scandinavian countries (Denmark, Finland, Norway, and Sweden)	537	1,026	2,380	2,328	2,341	2,236	2,320	1,734	2,216
Spain	(1)	150	1,513	1,409	1,205	1,049	1,095	981	833
Switzerland	1,692	1,768	3,120	3,244	3,324	3,555	3,932	3,218	3,995
Other [2]	1,222	1,484	2,017	2,052	2,368	2,396	2,780	2,977	....
Canada	1,197	1,902	2,881	3,027	2,693	2,709	3,041	2,949	3,100
Japan	(1)	892	2,019	2,152	2,119	2,030	2,906	3,299	3,654
Australia, New Zealand, and South Africa	1,587	1,953	2,777	2,245	2,494	2,341	3,083	3,052	....
Less developed areas [3]	8,390	10,405	9,725	10,980	11,655	12,460	13,625	14,685	....
Latin America	2,775	3,400	2,855	3,280	3,180	3,465	3,950	4,175	....
Middle East	1,475	1,200	2,320	2,675	2,845	3,195	3,230	3,100	....
Other Asia	3,395	3,840	3,070	3,395	3,840	3,975	4,110	4,655	....
Other Africa	[4] 290	1,800	1,415	1,570	1,725	1,755	2,160	2,580	....

[1] Not available separately.
[2] In addition to other Western European countries, includes unpublished gold reserves of Greece and an estimate of gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold.
[3] Includes unpublished gold holdings not allocable by area.
[4] Estimate.

Note.—Includes gold holdings, reserve positions in the International Monetary Fund, and foreign exchange of all countries except U.S.S.R., other Eastern European countries, Communist China, and Cuba (after 1960).
Beginning 1959, when most of the major currencies of the world became convertible, data exclude known holdings of inconvertible currencies, balances under payments agreements, and the bilateral claims arising from liquidation of the European Payments Union.

Source: International Monetary Fund, "International Financial Statistics."

TABLE C–90.—*United States reserve assets: Gold stock, holdings of convertible foreign currencies, and reserve position in the International Monetary Fund, 1946–69*

[Millions of dollars]

End of year or month	Total reserve assets	Gold stock[1]		Convertible foreign currencies[3]	Reserve position in International Monetary Fund[4]
		Total[2]	Treasury		
1946	20,706	20,706	20,529		
1947	24,021	22,868	22,754		1,153
1948	25,758	24,399	24,244		1,359
1949	26,024	24,563	24,427		1,461
1950	24,265	22,820	22,706		1,445
1951	24,299	22,873	22,695		1,426
1952	24,714	23,252	23,187		1,462
1953	23,458	22,091	22,030		1,367
1954	22,978	21,793	21,713		1,185
1955	22,797	21,753	21,690		1,044
1956	23,666	22,058	21,949		1,608
1957	24,832	22,857	22,781		1,975
1958	22,540	20,582	20,534		1,958
1959	21,504	19,507	19,456		1,997
1960	19,359	17,804	17,767		1,555
1961	18,753	16,947	16,889	116	1,690
1962	17,220	16,057	15,978	99	1,064
1963	16,843	15,596	15,513	212	1,035
1964	16,672	15,471	15,388	432	769
1965	15,450	[5] 13,806	[5] 13,733	781	[5] 863
1966	14,882	13,235	13,159	1,321	326
1967	14,830	12,065	11,982	2,345	420
1968	15,710	10,892	10,367	3,528	1,290
1969	16,964	11,859	10,367	2,781	2,324
1968: Jan	14,620	12,003	11,984	2,176	441
Feb	14,790	11,900	11,882	2,235	655
Mar	13,926	10,703	10,484	2,746	477
Apr	13,840	10,547	10,484	2,804	489
May	14,348	10,468	10,384	3,386	494
June	14,063	10,681	10,367	2,479	903
July	14,366	10,676	10,367	2,773	917
Aug	14,427	10,681	10,367	2,817	929
Sept	14,634	10,755	10,367	2,953	926
Oct	14,427	10,788	10,367	2,703	936
Nov	15,660	10,897	10,367	3,655	1,108
Dec	15,710	10,892	10,367	3,528	1,290
1969: Jan	15,454	10,828	10,367	3,338	1,288
Feb	15,499	10,801	10,367	3,399	1,299
Mar	15,758	10,836	10,367	3,601	1,321
Apr	15,948	10,936	10,367	3,624	1,388
May	16,070	11,153	10,367	3,474	1,443
June	16,057	11,153	10,367	3,355	1,549
July	15,936	11,144	10,367	3,166	1,626
Aug	16,195	11,154	10,367	3,399	1,642
Sept	16,743	11,164	10,367	3,797	1,782
Oct	16,316	11,190	10,367	3,341	1,785
Nov	16,000	11,171	10,367	2,865	1,964
Dec	16,964	11,859	10,367	2,781	2,324

[1] Includes gold sold to the United States by the International Monetary Fund with the right of repurchase which amounted to $800 million on December 31, 1969. Beginning September 1965 also includes gold deposited by the IMF to mitigate the impact on the U.S. gold stock of purchases by foreign countries for gold subscriptions on increased IMF quotas. Amount outstanding was $219 million on December 31, 1969. The United States has a corresponding gold liability to the IMF.

[2] Includes gold in Exchange Stabilization Fund.

[3] Includes holdings of Treasury and Federal Reserve System.

[4] In accordance with Fund policies the United States has the right to draw foreign currencies equivalent to its reserve position in the Fund virtually automatically if needed. Under appropriate conditions the United States could draw additional amounts equal to the United States quota.

[5] Reserve position includes, and gold stock excludes, $259 million gold subscription to the Fund in June 1965 for a U.S. quota increase which became effective on February 23, 1966. In figures published by the Fund from June 1965 through January 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

Note.—Gold held under earmark at Federal Reserve Banks for foreign and international accounts is not included in the gold stock of the United States.

Sources: Treasury Department and Board of Governors of the Federal Reserve System.

TABLE C–91.—*Price changes in international trade, 1961–69*

[1963=100]

Area or commodity class	1961	1962	1963	1964	1965	1966	1967	1968	1969 Third quarter
	Unit value indexes by area								
Developed areas									
Total:									
Exports	99	99	100	102	103	105	105	104	108
Terms of trade [1]	99	100	100	100	100	100	101	101	102
United States [2]									
Exports	101	100	100	101	104	107	110	111	115
Terms of trade [1]	99	101	100	99	101	101	102	102	103
Developing areas									
Total:									
Exports	100	97	100	103	103	104	103	104	107
Terms of trade [1]	100	98	100	102	100	102	101	102	104
Latin America									
Exports	96	95	100	107	107	108	107	108	[3] 109
Terms of trade [1]	95	92	100	105	102	105	103	101	[3] 102
Southern and Eastern Asia [4]									
Exports	103	100	100	100	101	101	99	98	[3] 101
Terms of trade [1]	104	102	100	99	99	100	99	100	[3] 102
	World export price indexes [5]								
Primary commodities: Total	97	96	100	103	103	104	101	100	105
Foodstuffs	92	94	100	105	103	105	104	102	106
Coffee, tea, and cocoa	99	96	100	121	111	113	111	111	118
Cereals	94	99	100	103	99	104	106	102	100
Other agricultural commodities [6]	102	97	100	102	103	104	96	96	102
Fats, oils, and oilseeds	102	94	100	104	114	111	102	100	99
Textile fibers	93	91	100	102	92	92	88	88	87
Wool	84	84	100	103	86	90	77	74	76
Rubber	115	107	100	95	97	91	75	73	107
Minerals	100	99	100	102	104	104	103	102	105
Metal ores	102	100	100	108	114	105	109	108	119
Manufactured goods: Total [5]	99	99	100	101	103	106	107	106	109
Nonferrous base metals [5]	102	100	100	119	135	156	142	150	173

[1] Terms of trade indexes are unit value indexes of exports divided by unit value indexes of imports.
[2] Includes foreign trade of Alaska, Hawaii, and Puerto Rico.
[3] Data are for second quarter 1969.
[4] Excludes Japan.
[5] Data for manufactured goods are unit value indexes.
[6] Includes nonfood fish and forest products.

Note.—Data exclude trade of Communist areas in Eastern Europe (except Yugoslavia) and Asia.

Sources: United Nations and Department of Commerce (Bureau of International Commerce).

TABLE C-92.—*Consumer price indexes in the United States and other major industrial countries, 1957–69*

[1963=100]

Period	United States	Canada	Japan	France	Germany	Italy	Nether-lands	United Kingdom
1957	91.8	91.7	79.3	69.6	88.1	83.2	88	86.9
1958	94.4	94.1	78.9	80.1	90.0	85.5	90	89.5
1959	95.1	95.1	79.8	85.0	90.9	85.1	91	90.0
1960	96.6	96.2	82.6	88.1	92.1	87.1	94	90.9
1961	97.7	97.1	87.0	91.0	94.3	88.9	95	94.0
1962	98.8	98.3	93.0	95.4	97.1	93.1	97	98.0
1963	100.0	100.0	100.0	100.0	100.0	100.0	100	100.0
1964	101.3	101.8	103.9	103.4	102.3	105.9	106	103.3
1965	103.0	104.3	110.7	106.0	105.8	110.7	111	108.2
1966	106.0	108.2	116.4	108.9	109.5	113.3	117	112.4
1967	109.0	112.0	121.0	111.8	111.1	116.9	121	115.2
1968	113.6	116.7	127.5	116.9	113.1	118.5	126	120.6
1969 [1]	119.7	121.7	133.8	123.7	115.9	121.0	135	127.0
1966: I	104 5	106.7	114.9	107.7	108.5	112.7	116	110.4
II	105.6	107.9	116.4	108.5	109.8	113.0	120	112.5
III	106.6	108.9	116.5	109.2	109.6	113.3	118	112.9
IV	107.4	109.5	117.6	109.8	110.1	114.2	118	113.8
1967: I	107.6	109.9	119.8	110.8	110.9	115.9	120	114.4
II	108.4	111.5	119.7	111.2	111.5	116.6	121	115.4
III	109.5	113.2	120.2	111.9	111.2	117.5	122	114.8
IV	110.4	113.6	124.1	113.5	110.8	117.9	123	116.2
1968: I	111.6	115.0	126.2	115.1	112.8	118.2	124	117.8
II	112.8	116.0	126.4	115.8	113.0	118.5	126	120.6
III	114.2	117.3	127.4	117.2	112.9	118.3	126	121.3
IV	115.6	118.5	129.8	119.6	113.8	118.8	128	122.7
1969: I	116.9	119.4	130.4	121.6	115.4	119.7	134	125.2
II	119.0	121.6	132.8	123.2	115.9	120.9	136	127.2
III	120.7	123.0	135.8	124.6	116.0	122.3	135	127.4
IV [2]	122.3	123.5	137.3	126.3	116.8	----------	137	128.7

[1] Except for the United States, averages are for January–September for Italy; and January–November for all other countries.

[2] October–November average for all countries other than the United States.

Sources: Department of Labor and Organization for Economic Cooperation and Development.