the percentage is likely to be less than 8.3 and especially since income is projected rather conservatively. An increase of benefits at one-half the rate of productivity increase might very well match the increase in the cost of living and in the absence of new legislation and aside from increased costs under current legislation leave benefits at a reduced level in relation to real income. In other words, the assumption of an increase equal to half the productivity gains (in current prices) might provide no real rise of benefits except insofar as the aging of the population would bring increased numbers with benefits and higher benefit as years of coverage are increased.

On the other hand, in view of the large numbers concerned and particularly in the older age group, political pressures will be great and these political pressures might very well result in the rise of benefits more rapid than the increase in the cost of living. It is to be noted that in the 1950's this pressure has been reflected in much more rapid adjustments in benefits under old-age, survivors, and disability insurance.

In this connection, it is worth while looking back to see what has happened in the past.

TABLE 7-4.—*Estimated average cost of veterans' benefits per serviceman in each war*

[In thousands]

UNDER PRESENT LAWS

Conflict	Number in Armed Forces during war	Cost per serviceman	
		Non-service-connected pensions	Total
Civil War	2,213	(1)	$3.7
Spanish-American War	392	(1)	12.2
World War I	4,744	$6.5	12.7
World War II	16,535	6.6	14.1
Korean conflict	[2] 5,331	9.9	14.9

ASSUMING SERVICE PENSION FOR RECENT CONFLICTS

Conflict	Number in Armed Forces during war	Non-service-connected pensions	Total
Civil War	2,213	(1)	3.7
Spanish-American War	392	(1)	12.2
World War I	4,744	16.0	22.0
World War II	16,535	21.4	28.7
Korean conflict	[2] 5,331	29.7	34.5

[1] No breakdown is available, but expenditures were largely for non-service-connected pensions.
[2] Does not include 1,476,000 veterans who served in World War II and Korean conflict.

Source: "Veterans' Benefits in the United States," p. 115.

I have compared the cost per serviceman in the four major wars, both on the assumption that present laws will continue and on the assumption that service pensions for recent conflicts will be made available as for earlier conflicts. Should the latter happen, of course, the costs would increase greatly. The table does suggest that the cost of veterans' benefits vis-a-vis per capita income has tended to decline under present laws substantially since World War I. Inflation has had something to do with these losses. The large increase in World War I vis-a-vis the Civil War can be explained in no small part by the very small benefits made available under the Civil War. But should