

of other objectives, our economy will perform sluggishly, will add less to our capacity, and our potential growth will tend to be near the lower limit of the above range or even below.

(5) In recent years, including currently, the output of the economy has been well below its potential and probably would be in the 1970's under the assumptions of the C projection.

From the standpoint of public and private policy, this study and these projections imply that wide differences in the rate of growth can develop in the future, depending on the degree to which public and private policies contribute: (1) To increased mobility of labor and capital to meet the changing demands of our dynamic economy; (2) to a rapid rise in educational attainment to keep pace with requirements of the changing technology associated with higher rates of growth and the high mobility this technological change requires; (3) to a high and growing rate of research and development expenditures as a basis for a high rate of technological progress; and (4) to maintenance of such proportions between the growth in investment and in consumption as will not only provide for a high rate of growth of capital stocks and the achievement of a relatively low age of the stock, but also will produce a growth in final demand for private and public consumption sufficient to maintain operations of the continually growing capacity at rates of operation which will maintain private incentives for a high rate of investment and of technological progress.