

Mr. KATONA. No.

Senator DOUGLAS. There are about 1,500 of these counties which are insignificant in size. There are many counties—I will not mention in which State—which consist primarily of sagebrush.

Chairman PATMAN. You mean one to the county, then, instead of one to two counties?

Senator DOUGLAS. It would be very interesting to get the sampling figures. This figure of 3,100 counties is very deceptive, as anyone who runs for office in a large State knows.

Mr. KATONA. May I say that the sampling variations are important to assess the significance of certain small changes. But on the whole, modern statistical mathematical research has proved that sampling is substantially solved. If you have the money, you can draw reliable small samples. The real questions are reporting errors people not telling the truth, or not expressing themselves correctly; how to formulate the questions, since the answers depend on how the questions are formulated. Here are our great problems, and not in sampling any more.

Senator DOUGLAS. You have to have a minimum number, however.

Mr. KATONA. Of course.

Chairman PATMAN. You may proceed.

Mr. KATONA. The fixed question—free answer method of interviewing is used; respondents answer in their own words and are asked to explain why they think as they do. We do not ask multiple-choice questions which suggest the answers. We conduct such surveys now four times a year, in February, May, August, and November.

Our August survey, devoted especially to a study of consumer reactions to the stock market decline and the tax reduction proposals, is now in the field; the findings will be available in September. Therefore I am basing my discussion on our May survey, the major findings of which were given to survey sponsors early in June and released to the press on July 3. I brought along a few copies of the survey report for submission to the committee. With your permission, I shall summarize the major findings and conclusions and omit detailed documentation in my presentation.

The reason is I would like to concentrate my oral presentation here on new data and its interpretation. Statistical documentation of the data is available here in this supplementary material.

The Survey Research Center's measures of consumer attitudes and expectations advanced from the low point registered in February 1961 for about 12 months. Yet the improvement was not as extensive as following the 1958 or the 1953-54 recessions and did not continue in 1962. As table 1 of the survey report shows, there was even a small decline in the center's index of consumer attitudes from February to May 1962. The decline was so small, when sampling variations are taken into account, that it is appropriate to view the index as having stayed at a plateau during the first half of 1962.

The recovery was not as long and not as large as following previous recessions, and over the last few months, that is from February to May 1962, we had a sidewise movement.

While general consumer attitudes indicate the sluggishness of the recovery from the 1960-61 recession, in one important area our data have justified optimism since the spring of 1961. Attitudes toward