

sumer housing and consumer equipment. On the whole, the Common Market countries are Americanizing rapidly and that will show up in lesser business investments, more resembling our rates, and more consumer tangible investment expenditures as well. So if you look at the trend which foreshadows the future rather than on past facts, the differences will, I believe, diminish.

Mr. GREENWALD. May I add to that? At McGraw-Hill we have done surveys of oversea investments of U.S. companies. We will have a survey out some time in early September on plans for U.S. companies to invest overseas in 1962, 1963, 1964. My guess would be, as of this moment, that the results may show some decline which would confirm what you have just said. We do know from surveys of the IFO in Germany that increases in investment in Western Germany have gone downhill.

Senator BUSH. On a percentage basis?

Mr. GREENWALD. Yes, sir.

Senator BUSH. But they began from such a low percentage.

Mr. GREENWALD. One year it was plus 23, last year 14, this year it is expected to be 10. They have been building capacity up so fast that maybe they will not be increasing investment next year at all. Again we have to remember that the European Common Market has had a pretty good growth rate since the end of the war, relative to ours. They have built up a lot of capacity. When they get into a situation, and it may be that next year will be the year for them, where they have to go through a recession, then they won't need additional capacity. Business will start cutting back investment. It may be that American companies will be cutting back on their oversea investment next year. So European countries' ratio of investment to GNP in 1963, might be lower than ours. I believe that the trend in this ratio is down in the Common Market.

Senator PELL. Thank you, that is all.

Chairman PATMAN. I would like to ask you about these savings, Mr. Katona, and then I will yield to Mr. Reuss.

I believe you prepared a table for the Federal Reserve Bulletin a couple of years ago, did you not, about savings bonds and ownership of savings bonds? To the best of my recollection there was a figure that 73 percent of the people or families didn't own any savings bonds at all. Is that correct?

Mr. KATONA. Approximately. I don't remember the exact number. Ownership has declined since World War II.

Chairman PATMAN. Then isn't it a fact that according to those figures 7 percent of the remainder owned about 85 percent of the bonds? I am doing this from memory.

Mr. KATONA. I don't know whether it is as much as you say.

Chairman PATMAN. Does that sound unreasonable?

Mr. KATONA. If you ask me, according to my memory, I had the figure in mind that 10 percent owned 60 percent of the value.

Chairman PATMAN. Do you remember, Miss Dingle?

Miss DINGLE. I do not know. They are concentrated. A number of owners may own only one \$25 or \$50 bond. I think it is necessary to remember that particularly in the distribution of aggregates among groups in the economy there is a large sampling error involved. We