Representative REUSS. Don't you find that the list of wants that you get nowadays, as opposed to the list of wants which you got in some earlier period, stresses in a much greater degree, services and intangibles—medical care, recreation, vacations, leisure time activities, nongoods items.

Mr. KATONA. And also education and cultural things.

Representative REUSS. Exactly.

Mr. KATONA. You are right. These are also expensive things.

Representatives REUSS. That is right. I am wondering what effects increased expenditures on services have on the economy which may be different from those we would get from the same amount of spending on goods.

Mr. KATONA. Travel leads to an enormous investment by the private sector, say for motels, and by the public sector for roads.

Representative REUSS. I am not suggesting that a greater demand for medical care is not accompanied by a certain additional demand for hospitals and medical schools. My question is whether a dollar spent on services is likely to produce just as much economic activity as a dollar spent on goods?

Mr. KATONA. We don't know the answer to this question. There is structural change in connection with the correctly stated facts in our economy.

Mr. GREENWALD. We don't really know what new products are coming along. There may be some magic things on the drawing boards of many companies in the United States. We do know that research and development expenditures have gone up tremendously. We know that new products are a key to all of these programs. We know, for example, from our surveys that 14 percent of manufacturers' sales in 1965 are going to be in new products that are not now in existence—14 percent of manufacturers' sales. That is a very significant number.

Representative REUSS. I welcome and recognize what you say. My question, however, was whether there now are in being and ascertained things which look today as exciting as the automobile looked in the 1920's and as the consumer durable goods looked in the early 1950's.

Mr. GREENWALD. We may not have any one good but we may have a combination of 5 or 10 which could give sizable stimulus to the economy. In 1961 the economics department of McGraw-Hill did a long-range forecast through 1975. The Russians criticized this report. They called McGraw-Hill, and myself, since I was responsible for the preparation of the report, the Knight of the Electric Blanket and of the Helicopter. I want to point out that we have many new products coming along because of R. & D. Some day we will have wall-sized television screens and many of us will be driving around in our own helicopters. This might be a significant market of the future.

Miss DINGLE. May I make one comment?

I think there are really two aspects here. I think you have been emphasizing the real investment that is involved in connection with production of goods versus services, which is a complex issue. I think there is another question here and that is the question of what you do to consumer purchasing power and consumer saving versus dissaving, as represented by debt. I think some economists have been