

STATE OF THE ECONOMY AND POLICIES FOR FULL EMPLOYMENT

TUESDAY, AUGUST 14, 1962

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met at 10 a.m., pursuant to recess, in room AE-1, the Capitol, Hon. Wright Patman (chairman) presiding.

Present: Representatives Patman, Reuss, Thomas B. Curtis, and Widnall; Senators Sparkman, Proxmire, Pell, Bush, and Javits.

Also present: William Summers Johnson, executive director; John R. Stark, clerk; Hamilton D. Gewehr, research assistant.

Chairman PATMAN. The committee will be in order. We continue hearings on the state of the economy and on policies to achieve full employment, production, and purchasing power.

This morning we will consider monetary policies: what changes are needed to stimulate employment and to create a more rapid rate of economic growth. For this session we have a very distinguished panel of economists. J. M. Culbertson, professor of economics and commerce, University of Wisconsin; Lawrence S. Ritter, professor of economics, Graduate School of Business, New York University; and Beryl W. Sprinkel, vice president and economist, Harris Trust & Saving Bank, Chicago, Ill.

Gentlemen, we thank you for coming. We are very glad to have you. Our procedure is to have each witness make an opening statement, if he has one, and then the members of the committee put questions to the panel under a 10-minute rule for questioning by each committee member. Our usual procedure is to have the panelists begin in alphabetical order of their names. Professor Culbertson, if you are ready, you may proceed in your own way.

STATEMENT OF J. M. CULBERTSON, PROFESSOR OF ECONOMICS AND COMMERCE, UNIVERSITY OF WISCONSIN

Mr. CULBERTSON. Thank you, Mr. Chairman. I have a prepared statement that I will summarize.

Senator BUSH. Mr. Chairman, may I have one word? I want to apologize to the panel for leaving this meeting this morning. We are having the Stockpile Subcommittee hearings and there is some very important testimony. This is one of these awful conflicts that I am sure my colleagues understand. But I do want to explain to these gentlemen my great regret that I won't be able to be here this morning.