rate averaged between 13 and 25 percent in Lawrence, New Bedford, Fall River, and Providence-Pawtucket. Even as late as 1958 the unemployment rate averaged more than 10 percent in these same cities and was 15 percent or more in many of the smaller textile cities.

Today, the unemployment rate in New England as a whole is only 3.3 percent, well below the national average of 3.6 percent. Only two of our large textile cities now have serious unemployment problems. Thus, given enough time, it would appear that even the most depressed communities can make a strong comeback. We may ask ourselves, however: Is it necessary for communities to go through such a long, hard readjustment process before they regain economic balance?

What would happen if the Vietnam war should end suddenly and national defense spending were cut by 20 percent or more? Would many of the country's large economic areas have the same agonizing readjustment problems that New England's textile communities faced after World War II? No one can answer this question with 100 percent assurance, but I am reasonably confident that a very substantial defense cutback would not bring similar problems to many metropolitan areas in the United States. The problems of the older textile cities in New England were considerably different from those of most metropolitan areas which depend heavily on defense spending today.

I have four reasons for saying the situation is different now:

1. New England's depressed textile towns had a very slow economic and population growth rate long before most of their economic base collapsed with the textile industry. To a surprising extent, in contrast, most defense-dependent areas have been growing very rapidly for many years. For example, the Los Angeles population increased by more than 45 percent between 1950 and 1960. More than three-quarters of this total gain was accounted for by net in-migration from other parts of the country. More recent figures show a 10.5-percent increase in population in Los Angeles between 1960 and 1964, almost half of which was accounted for by migration. The figures for Hartford County, Conn., another defense-dependent area, are somewhat similar. Between 1950 and 1960 there was a population increase in Hartford County of 28 percent. About two-fifths of this percentage increase was accounted for by net in-migration.

My main point is this. Even if large military cutbacks occurred, these exploding areas might merely see a decline in their rate of growth and consequently, in their rate of in-migration. As a result, the areas' industries might well be able to absorb the existing labor supply without major difficulties. This is not to say that there would be no problems in the transition period. The housing industry and some of the service industries which expanded in anticipation of a continuation of a rapid rate of growth would likely have an overcapacity problem for a number of years, but it is difficult to envision the kind of problems that faced the stagnant textile communities in New England.

2. New England's depressed postwar mill towns also differed very substantially from most of today's larger metropolitan areas in that their economic health depended largely on one stagnant industry—