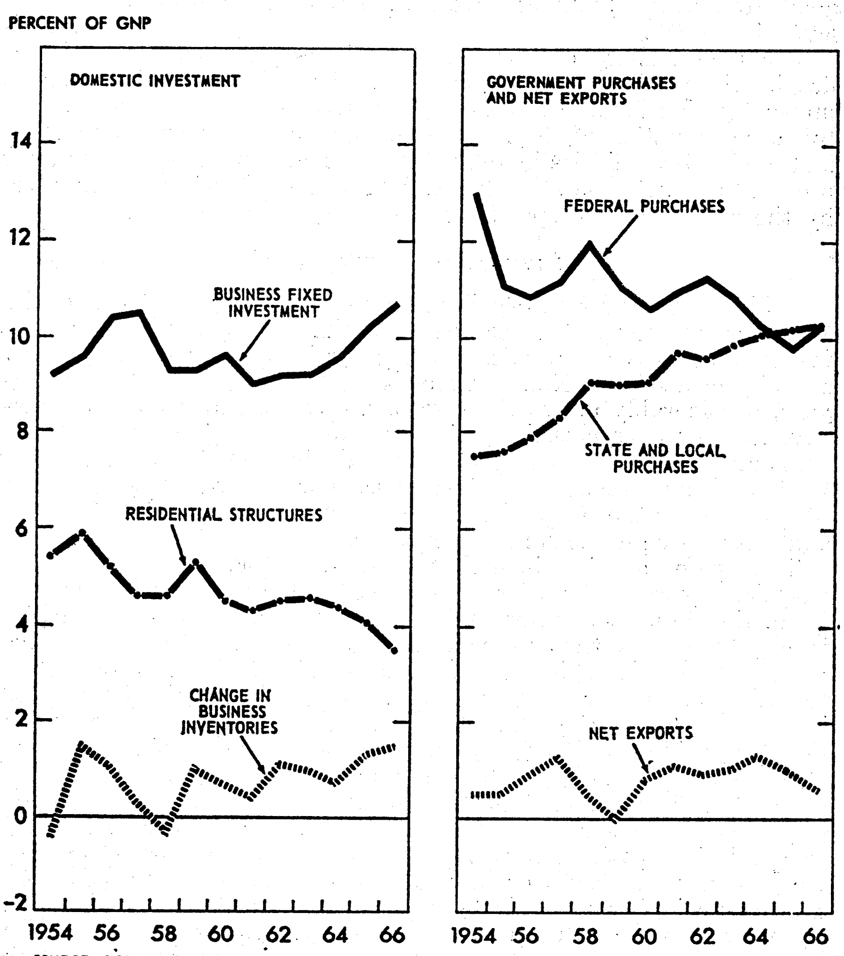
except 1964 and 1965. The share of defense purchases was 8.1 percent, also lower than in any year from 1954 to 1963. State and local government purchases continued their secular rise as a share of GNP.

The share of private domestic and foreign investment in 1966, 16 percent of GNP, was quite typical for a full-employment year. Private investment exceeded private saving at full employment, leaving room for moderate surpluses in government budgets (national income accounts basis).

Chart 2

Selected Shares of Gross National Product



SOURCE: DEPARTMENT OF COMMERCE.