Mr. GAINSBRUGH. Look first at line 1. Since these figures are so recent you may want to spend a minute or two on them. There has been much concern about the growth of debt in the United States, both public and private. I find some comfort in the fact that we have nearly $2.5 trillion of tangible assets. These are shown here. This does not include financial assets. These are physical assets. This compares with a total debt of around one and a third trillion dollars. I find—I believe most of us would—considerable gratification in the growth of the American economy in terms of the tangible assets from about $88 billion, as best Goldsmith could estimate them, to today's $2.5 trillion.

But along with that notice that the growth has again been pronounced in terms of the possessions of the public sector. These increased to 14 percent in 1966 as compared with 7 or 8 or 9 percent in an earlier generation. So there again is a doubling in the physical assets held by government, most pronounced at the State and local level.

Representative CURTIS. But I have also seen figures, and I cannot recall them, but put these in the Congressional Record, attempting to show balance sheets of net assets.

Mr. GAINSBRUGH. Yes.

Representative CURTIS. And in the private sector, in households, the balance sheet is a beauty.

Mr. GAINSBRUGH. That is the consumer sector.

Representative CURTIS. The consumer, the individual, the household, and the business balance sheet is a good one. Local government is a good one and that is simple. In other words, their physical holdings, their wealth, continued to increase, net holdings over the debt. The States have done fairly well. But the Federal Government has moved from a zero position in 1900 to a minus eight according to this.

In other words, again this gets back to how good are the statistics. But I have looked over the statistics of the Government Operations Committee on the physical wealth in the Untied States, and it looks like they are hitting at it. I think their figure, including military, is around $250 billion, but the debt is $330 billion.

Mr. GAINSBRUGH. I had that in my statement and then took it out because I did not mean to suggest or did not want the overtones that might have emerged from a minus 8 percent net worth position of the Federal Government. I think that figure needs very careful study before it can be accepted.

The balance sheet, you see, is a new device, and we want to look as intensively at what it begins to show as we did at the national income and the GNP figures when the first emerged.

One of the primary reasons why the accounts look as unbalanced as they do at the Federal level is the cost of war. This is picked up at the Federal level, and there is no counterpart at the State and local level. Much of the increase in the Federal debt has been primarily because of the $200 to $250 billion debt expansion during World War II alone.

Representative CURTIS. Let me correct my statement for the record. Mr. Ward has shown me the Federal real and personal property inventory report of the U.S. Government covering its properties located in the United States and territories overseas as of June 30, 1966, published by the Committee on Government Operations, U.S. House of Representatives.