

your work here which is limited to measuring physical wealth. You are not attempting to move into this very difficult field of measuring the wealth of the knowledge and skills of people.

Mr. BOWMAN. Not in this immediate project, although we think of this as being a part that has to be added on in any analytical use of a wealth base.

Representative CURTIS. I could not agree more. A number of scholars have been attempting to see how we can possibly measure educational input and things of that nature. I have seen a number of studies along that line. When we talk about physical wealth we should keep uppermost in our minds that this is really the lesser portion of the wealth of the society.

Thank you, Mr. Chairman.

Representative BOLLING. Mr. Rumsfeld?

Representative RUMSFELD. Mr. Bowman, I certainly want to thank you for your very interesting statement. I wonder if you could sketch two or three of the principal areas where you feel there is the most significant data problem or need, for users, both in Government and out of Government. You mentioned—in answer to Mr. Curtis—certain areas that need some thought and attention down the road. What are the areas that are needed most by users within Government and users out of Government that we do not have the capability of providing right now?

Mr. BOWMAN. Well, I will mention one. I will state my own bias in a sense. I generally have an overall view of the statistical program and I think of gaps in terms of the way they are to be filled in in terms of analysis. At the present time the area where we have the greatest need for knowing things requires comparisons over time, what I would call longitudinal studies. I thought we proposed to the Congress this time one of the most important ventures that we have outlined for many years and this was a large sample survey of the population which would get a great deal of characteristics of the population in 1968. We would then pick up the same sort of information in 1970 in the census and find to what extent these characteristics had changed.

The whole area of longitudinal studies of households or individuals, I think, is an area which we must go into. It is a very difficult area, much more than we ever have had in the past. A more pedestrian area, and one which we all know about; we know our data on inventories are not nearly as good as they should be. They are not nearly good enough in the interrelationship of inventories at the raw material level, the manufacturing level, and at the retail level and the way they move, so that for cyclical analysis and other types of analysis of that sort, we get some notion of what is happening to the inventory picture. But, as you can see, these are all very difficult areas and very costly areas in which to work. But, that is another one.

Another area, I think, is more data on the service trades.

Now, my paper does indicate we have started a series on service trade receipts. We have had a series for a long period in manufacturing and in retail trade, but we have very little current data on the output of the very fast growing services sector of the economy. We now do have a series—this series was arranged for 5 years ago, I think. We thought we knew how to produce it at that time. We just published a series about 6 months ago because the difficulties associated with producing