

Table 4 shows recent changes in people's evaluation of business prospects. We do not ask these questions for the purpose of inducing survey respondents to make forecasts. The questions represent an indirect way of ascertaining changes in optimistic or pessimistic attitudes.

(Table 4 follows:)

TABLE 4.—*Opinions about expected business conditions*

[In percent]

	Business conditions expected—			
	During next 12 months		During next 5 years	
	Good times	Bad times	Good times	Bad times
February 1965.....	75	7	44	20
August 1965.....	67	9	47	11
November 1965.....	71	8	47	14
February 1966.....	69	9	39	18
May 1966.....	66	13	40	20
August 1966.....	59	17	38	28
November-December 1966.....	55	22	33	21
February 1967.....	62	16	38	23
May-June 1967.....	60	14	34	21

Only respondents giving a definite answer are shown in the table.

The questions were: "Now turning to business conditions in the country as a whole—do you think that during the next twelve months we'll have good times financially, or bad times, or what?" "Looking ahead, which would you say is more likely—that in the country as a whole we'll have continuous good times during the next five years or so, or that we will have periods of widespread unemployment or depression, or what?"

The deterioration of the relationship between the proportion expecting good times and the proportion expecting bad times from August or November 1965 to December 1966 is shown in table 4, as well as the subsequent small improvement in the relationship. It should be noted (a) that in June 1967 the optimism of 1965 was not restored, and (b) that nevertheless many more people were optimistic than pessimistic.

May I add that tables 3 and 4 present only the proportions with a definite opinion; the frequencies would add to 100 percent if those who answered "Don't know" or "it depends" were included.

In 1966, and today as well, there also was a highly favorable development: The frequency of income increases and of the expectation of further income increases remained large. In this respect we obtained the most favorable date in 15 years of surveys in February 1966, as shown in table 5. At that time 16 percent of all American family units reported that their 1965 income was much higher than their 1964 income and 39 percent that it was somewhat higher. Altogether, 55 percent experienced and 43 percent expected income increases.

(Table 5 follows:)