

Wholesale industrial prices: 12.1 percent in the Korean period, 3.8 percent in the peacetime expansion of the mid-1950's, and 2.9 percent from June 1965 to 1966.

So that you will have the full picture of this, chart 8 shows both the factor of growth and price comparisons. These are over 5-year periods, 1955 to 1960, 1960 to 1965, and 1960 to 1966, which includes the current period, and therefore reflects all that has happened up to now.

The annual rate of growth from 1955 through 1960 was 2.2 percent. The annual rate from 1960 to 1965 was 4.7 percent. Including 1966 into that period from 1960 to 1966 it was 4.8 percent. And yet with this more than doubled rate of growth in the 1960 to 1965 and 1960 to 1966 period, the annual rate of price change is far less in the 1960 to 1965 period and the 1960 to 1966 period than it was in the 1955 to 1960 period.

It was 2.6 percent annual rate of price change in 1955 to 1960, 1.4 percent in 1960 to 1965, and then taking into account 1966 with its higher change in level of price, you have a 1.7-percent figure.

I think that we should keep this in perspective. I regret any loss of price stability as much as you do, and Chairman Ackley has made our concern well voiced about price stability. Taking into account both the measure of growth that we have enjoyed during that period, the greatly increased employment that has characterized it, I think the price changes have been quite limited and quite impressive in their stability.

Chairman PROXMIRE. Senator Miller?

Senator MILLER. Mr. Secretary, I appreciate your presenting us with those charts, and I think that it is good to look at these matters in perspective. However, I can't overimpress upon you that the people we represent may be interested in looking at those charts, too.

They may be interested in knowing that the price rise in the United States is not at as high a rate as it is in some other country. They still want to have this inflation stopped, and it has been getting worse. You take, for example, last year, with \$29 billion of inflation on the backs of the people of this country.

The people over here in Virginia had a share of that, which was the equivalent of a 12-percent sales tax. The people out in my State, Iowa, had as their share the equivalent of about a 10-percent sales tax. And so, while all these things may be interesting in perspective, I still think that the people want this inflation stopped, and I suggest to you that what really counts as far as this committee is concerned is the twofold objective of our national economic policy; namely, full employment and a stable dollar.

I recognize that some people want to trade one off against the other, but I think that at the economic conference held last year on the occasion of an anniversary of the founding of this committee and the Full Employment Act,¹ that it was the consensus that both objectives should be obtained.

I wonder if you could tell us what steps you think can be taken to put a stop to this inflation, so that a year from now, when you are back before the committee, we will see a steady line, which will indicate a stable dollar?

¹ Twentieth Anniversary of the Employment Act of 1946, An Economic Symposium. Hearings before the Joint Economic Committee, Feb. 23, 1966.