

The successive annual increases thus come to \$14, \$21, and \$16 billion, an overall increase of \$51 billion in just 3 years.

This growth in spending represents a violent break with the past. From 1960 to 1965 the increase in Federal spending averaged \$5.4 billion per year. From 1955 to 1960 the average annual increase was \$4.8 billion. Now, according to the President's budget, the increase from 1965 to 1968 will reach \$17 billion per year. That is more than three times the rate of increase experienced during the preceding decade.

Of course, the upsurge in Federal spending is to a significant degree attributable to the war in Vietnam. In fiscal 1965, expenditures for the support of Vietnam operations were negligible. In fiscal 1968, they are expected to reach \$22 billion. This is a very heavy cost, but it accounts for less than half of the \$51 billion increase in Federal spending between 1965 and 1968.

If we put aside the spending attributable to the war in Vietnam, we are still left with an increase of \$29 billion between fiscal 1965 and fiscal 1958, or an annual increase of about \$10 billion. This is $2\frac{1}{2}$ times as large as the annual rate of increase in total Federal spending during the 3 preceding years; that is, from fiscal 1962 to fiscal 1965.

Clearly, neither the war in Vietnam nor, for that matter, total defense expenditures are a sufficient explanation of the spurt in Federal spending that got underway in 1965.

Information concerning Federal expenditures is not provided in much detail by the national income accounts budget. There is, however, a table in the budget which, while confined to the short interval from fiscal 1966 to fiscal 1968, reveals the general character of our present expenditure policy.

This table, given on page 43 of the document entitled "The Budget of the United States Government: 1968," shows expenditures for each of a dozen functional categories. One of these is national defense, another is international affairs and finance, and so on. The table discloses a projected decrease for only one category, space research and technology, between fiscal 1966 and fiscal 1967, and it is a small decrease at that. Between fiscal 1967 and fiscal 1968, there are two projected decreases, both small.

No one reading this table, or the budget message as a whole, can very well escape the impression that Federal spending is now growing in nearly every direction.

(The table referred to follows:)