When you take the Ford Motor Co., the comparison is for a shorter period, because the Ford Motor Co. didn't become a publicly owned stock company and its figures weren't published until more recently. From 1949 through 1966, you find that a Ford worker earned $106,000, but a stockholder who started out with the same equity in 1949 got $784,000.

Now, this is what is happening, and this is why it is not just a propaganda slogan to say that the rich are getting richer and the poor are getting poorer. If you look at the income distribution, you see that it is being distorted very dangerously. This is not just a matter of economic justice. The economy won't work, it will break down, if we don't find a more equitable way to share the abundance of our new technology.

The lowest 40 percent of family groups in 1960 had 16 percent of the national family income, and in 1964 it dropped to 14 percent, a drastic shift. The highest 10 percent got 27 percent in 1960 and in 1964 they they got 30 percent.

I sit across the bargaining table with the highest paid corporation executives in the world, and I keep saying to them, "I don't understand what mental and moral gymnastics you go through to tell us that if you are getting $500,000 a year and you are working to get $600,000 as an executive, that that is a reward for individual initiative and incentive, it is not inflationary, it is superpatriotic. But if you are getting $5,000 a year and you are trying to get $6,000 a year that is dangerous economics, it is highly inflationary, and it is a little bit subversive."

This is nonsense, and it is incompatible with the values of a free society.

Representative REUSS. My time is up.

Chairman PROXMIRE. Senator Miller?

Senator MILLER. Thank you, Mr. Chairman.

Mr. Reuther, in connection with the guideposts for the full employment—or the Employment Act of 1946, is this concept of purchasing power. I take it from what you have been saying, that you would say that the stability of the price structure is an inseparable part of that concept, is that correct?

Mr. REUTHER. Obviously the important thing when you are dealing with purchasing power is not the number of dollars you take home. It is what you can buy, and this is our whole argument with Mr. Ackley.

American wage earners are not concerned with the number of dollars they take home in their pay envelope. They are concerned about their real wages.

Senator MILLER. I couldn't more thoroughly agree with you. In other words, the stability of the purchasing power of the dollar would be a part of this concept of economic and social justice, would it not?

Mr. REUTHER. Exactly.

Senator MILLER. All right. Now, in your statement you say that we have become unduly alarmed "by exaggerated fears of inflation." I would like to point out to you that I am advised that last year real wages in this country were down over the year before. That we had $29 billion of inflation last year representing taking the purchasing power away from the people more than half what the Federal income tax does.