

sion, in the current decade we can expect an expansion 10 times as large, or almost 15 million people, and this will constitute as much as 45 percent of the total population growth.

I think that we can see readily that this going into effect will affect the growth of our economic activity, because of what we can expect in terms of the demand upon the capital markets, and, of course, most importantly, what we should expect in terms of energy requirements.

On chart 4 we have traced the expansion of energy use on a per capita basis, and we express these energy requirements in terms of barrels-of-oil equivalent. Experience has taught us that this is the most meaningful unit of measurement. No one can visualize a B.t.u., nor a kilowatt-hour of electricity. I doubt if we could see a thousand cubic feet of gas. We might see a ton of coal, but everyone can get a mental picture of a barrel. So, we have used this unit of measurement and will continue to use it in the rest of this showing.

In the first 5-year period indicated on this chart, 1950-55, the per capita consumption of energy increased by the equivalent of three barrels of oil. Then, in the following 5 years, when we were experiencing the full effect of the decline in birth rate, back in the 1930's, the energy consumption rose by less than one-half as much, not even a barrel and a half.

Then, in the next 5-year period, as we pulled away from the influence of the decline in birth rate and took on the effect of an accelerating birth rate, you can see that the energy consumption per capita rose by a much larger amount, more than $5\frac{1}{2}$ barrels per person.

Our studies indicate to us that it is reasonable to expect that, during the next two 5-year periods, an increase of about one barrel per person per year, or five barrels for each of these 5-year periods.

On the right-hand side of this chart we have traced the overall per capita consumption expressed in oil equivalent. Starting out in 1950

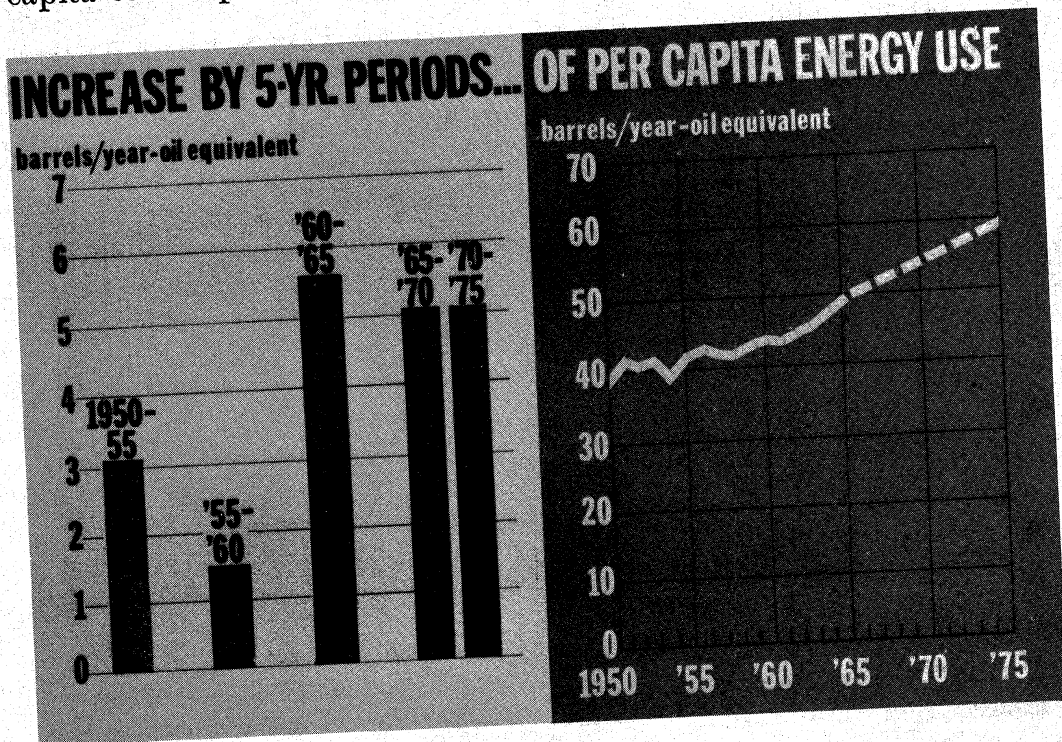


CHART 4