

TABLE 3.—GROSS NATIONAL PRODUCT, 1964 ACTUAL AND PROJECTIONS TO 1975¹

Item	GNP (billions of dollars)			Annual growth rate (in percent)		Annual price increase, 1964-75	Percent distribution		
	1964		1975	Based on constant dollars	Based on current dollars		1964		1975
	In 1964 dollars	In 1964 dollars	In 1975 dollars				In 1964 dollars	In 1964 dollars	In 1975 dollars
Total GNP.....	628.7	1,001.6	1,138.9	4.35	5.55	1.2	100.00	100.00	100.00
Personal consumption expenditures.....	398.9	644.3	713.9	4.5	5.5	1.0	63.45	64.33	62.68
Durable goods.....	58.7	112.8	117.0	6.2	6.5	.3	9.34	11.26	10.27
Nondurable goods.....	177.5	253.3	274.7	3.4	4.1	.7	28.23	25.29	24.12
Services.....	162.6	278.1	322.0	5.1	6.4	1.3	25.86	27.77	28.27
Gross private domestic investment.....	92.9	151.1	171.9	4.6	5.8	1.2	14.78	15.09	15.09
New construction.....	48.7	79.2	90.1	4.6	5.8	1.2	7.75	7.91	7.91
Residential nonfarm.....	27.0	39.5	44.9	3.5	4.7	1.2	4.29	3.94	3.94
Other.....	21.7	39.9	45.3	5.7	6.9	1.2	3.45	3.98	3.98
Producers' durable equipment.....	39.4	64.3	73.1	4.6	5.8	1.2	6.27	6.42	6.42
Change in business inventories.....	4.8	7.6	8.7	4.4	5.6	1.2	.76	.76	.76
Net export of goods and services.....	8.6	9.4	10.6	.7	1.9	1.2	1.37	.94	.93
Exports.....	37.0	(?)	(?)	(?)	(?)	(?)	5.89	(?)	(?)
Imports.....	28.5	(?)	(?)	(?)	(?)	(?)	4.53	(?)	(?)
Government purchases of goods and services.....	128.4	196.7	242.9	4.0	6.0	2.0	20.42	19.64	21.32
Federal.....	65.3	84.8	104.6	2.4	4.4	2.0	10.39	8.47	9.18
National defense.....	49.9	56.0	69.0	1.0	3.0	2.0	7.94	5.59	6.06
Other.....	15.4	28.8	35.6	5.9	7.9	2.0	4.45	2.88	3.1
State and local.....	63.1	111.9	138.3	5.4	7.4	2.0	10.04	11.17	12.14

Source: 1964—U.S. Department of Commerce; 1975—The Conference Board.

¹ This table is consistent with the new national accounts data released in August 1965. The figures are tentative translations of findings drawn in part from the old national accounts, and are subject to significant revisions in a final report now in preparation.

² Not estimated separately.

A similar conclusion was reached by Leonard A. Lecht, a member of the staff of the National Planning Association, in his study *Goals, Priorities, and Dollars—The Next Decade*. Lecht's projection calls for a GNP of close to \$1 trillion in 1975, expressed in 1962 dollars. He assumes a 4-percent increase per annum in real GNP, based on full employment and a 3-percent per annum increase in productivity of labor. Lecht has studied what the "costs" (in terms of GNP growth) would be to fulfill the goals which have been advanced by the administration in such fields as urban development, health, education, housing, and the like. To satisfy these goals, he has estimated that by 1975 GNP would have to rise to \$1.5 trillion (in 1962 prices). Concerning this output, he comments:

Creating sufficient output to realize the aspiration standards for the 16 goals would entail a GNP growth rate approaching 5.5 percent a year between 1962 and 1975 (measured by GNP in constant prices from the full capacity level of production in 1962). This compares with an increase in GNP averaging 3 percent a year in the past generation and 3.5 percent between 1948 and 1962. Sustaining a 5.5 percent annual growth rate for over a decade would require technological changes leading to massive increases in productivity, considerably beyond the 3-percent growth in GNP per manpower anticipated in the next 10 years.²³

²³ *Goals, Priorities, and Dollars—The Next Decade*, p. 43.