

Mr. TYSON. I believe there has been some experience with this in Scandinavian countries, where they have guidelines for bargaining.

Senator PROXMIRE. Wage-price guidelines?

Mr. TYSON. We have tried to do this in our society, doing it purely voluntarily, this, of course, being in basic agreement and accord with our value presuppositions. I understand, for example, that in Sweden, there is a statistical index for productivity and this is then related to industries, broken down in particular industries.

Senator PROXMIRE. Are you familiar with their level of unemployment?

Mr. TYSON. At the present time?

Senator PROXMIRE. In Sweden over the past few years?

Mr. TYSON. It has been fairly stable.

Senator PROXMIRE. Can you put it on a comparable basis?

Mr. TYSON. Two percent, 2.4 percent.

Senator PROXMIRE. If they figured it the way we do, it would be 2 or 2.5 percent?

Mr. TYSON. In Swedish experience, we have had anywhere from 1.1 or 2 on up. The 1958 high was 2.5.

Senator PROXMIRE. Their statistics are quite different, they are based primarily on unemployment compensation.

Mr. TYSON. It is hard to make these comparisons, but they do have an index on productivity which is related to particular industries and then these guidelines on bargaining within this range. The public expectation here, and we are coming back to a primary factor as far as prices, the public expectation is that you bargain within these ranges.

Senator PROXMIRE. Could you say in Sweden, within the basis of your knowledge and experience, that the poor are not the price stabilizers? Because the unemployed are by and large frictional—after all, there are some people between jobs. You always have young people out of school taking the time to find the job they want, and so on.

Mr. TYSON. I would say it is a far more successful system, and trying to think of the reasons why, I think it is in this guideline area of bargaining. Also, there is a public attitude toward unemployment which is different from our own attitude.

Senator PROXMIRE. Is this true in West Germany, too?

Mr. TYSON. West Germany, France.

Senator PROXMIRE. What about the public attitude toward unemployment that makes it possible for them to keep it lower?

Mr. TYSON. It is an expectation, I think, on the part of the citizenry that public policies will be such as to maintain low levels of unemployment, that politically, it is not tolerable. I think in France; it is something that may be happening in France.

Senator PROXMIRE. They have had more inflation, too, have they not, than we have?

Mr. TYSON. Right, but this becomes politically intolerable and it is a social control over public policy.

Senator PROXMIRE. They try to cope with their inflation by the relationship between productivity and wage increases in a more disciplined way than we have?

Mr. TYSON. Yes.