

a look at 1958 and 1957, in which unemployment went to nearly 7 percent, and prices went up those years about 5 percent.

Representative RUMSFELD. Mr. Secretary, you say by this measure we have done very well. And, it seems to me, by your own statistics, by the very measure you have selected in the presentation you have made this morning, we have not done very well—once you plug in the fact that the economy is benefiting, if you want to use the word, from some very extraordinary circumstances.

Secretary WIRTZ. I don't think benefiting in any way. I love to think of the things we would have done——

Representative RUMSFELD. Don't we all.

Secretary WIRTZ. There is no question about it. Let us be plain about it. The test of whether you and I have a difference would lie in the answer to the question as to whether I think these figures are going to get worse upon the ending of the war in Vietnam. And I do not think they are. I think it will take us about 60 days to recover stride. There will be some readjustments, and in some particular areas it will take somewhat longer than that.

Representative RUMSFELD. In other words, if you subtract the impact of the Vietnam war from these statistics, you are saying you still feel we have done——

Secretary WIRTZ. Mr. Rumsfeld, if I thought different, I would resign from the human race. If I thought at this stage in the development of our economy, our fiscal, monetary policy, manpower—if I thought at this stage we were dependent for employment on a war, I would quit from the race. And so I feel very strongly.

Representative RUMSFELD. I am not suggesting either one.

Secretary WIRTZ. No. But it is——

Representative RUMSFELD. I don't want to lose a good constituent.

Secretary WIRTZ. It is directly on the point you are raising, because the implication of the question is that everything we have done depends upon the war factor.

Representative RUMSFELD. No; that is not my implication.

Secretary WIRTZ. Then I misunderstood.

Representative RUMSFELD. My questions relate to your statement—the paragraphs which begin “For many years,” in which you say, “we have now arrived at the lowest rate since the Korean conflict.” That means that it is a higher rate compared with the Korean conflict?

Secretary WIRTZ. Let's see.

Representative RUMSFELD. It must.

Secretary WIRTZ. That is correct.

On an annual average basis, the total unemployment rate was 3 percent in 1952, and 2.9 percent in 1953. Those are the lowest rates on record since World War II. On a monthly basis, the lowest rate was 2.5 percent, recorded in both May and June 1953.

Representative RUMSFELD. Maybe I am not asking a question, but rather, making a statement. I am challenging your statement that we have done very well indeed by the use of the very statistics you are using. And, if that is inaccurate, perhaps you can clarify it for me.

Secretary WIRTZ. I do not know whether it is inaccurate. Because of the reaction that there is to it here—I guess if I had to say it again—I would say it is the lowest rate since 1953. I thought by the