UNITED AUTOMOBILE, AEROSPACE, AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA (UAW)

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The economy of the United States has made great progress in the past 8 years. The most visible sign of that progress, of course, is the fact that we are now completing 8 years of unbroken economic expansion—a period of growth unparalleled in our recorded history. For the first time there is reason to hope that we have learned enough about how our economic system works and how it can be guided in desirable directions that we may be able to break the inexorable alteration of boom and recession, and learn how to move forward through indefinite periods of sustained and sustainable growth.

THE FRUITS OF GROWTH

The consequences of continuous growth are reflected in a wide variety of economic indicators, and are best shown by comparing developments in the growth period with those of the immediately preceding years.

Thus, for example, if the 8 years of the Eisenhower administration (fourth quarter 1952 through fourth quarter 1960), in which we experienced three recessions, are compared with the 8 years of expansion under Kennedy and Johnson (fourth quarter 1960 through fourth quarter 1968), some very impressive differences are seen. In the Eisenhower years, for example, the gross national product (GNP) after adjustment for price changes grew by 19.3 percent; in the Kennedy-Johnson years it grew by 48.7 percent—over 2½ times as much. Per capita real disposable personal income (that is, average income per person after taxes, also adjusted for price changes), which is a good measure of actual improvements in personal living standards, grew by only 9.4 percent in the 1952–60 period, compared with 33.3 percent in 1960–68.

Significant as they are, these figures are of course affected by the fact that they begin and end at different points on the business cycle. Elimination of this anomaly, however, does not void the comparison. It is shown in the following table, which compares the movement of selected economic indicators from the trough of the 1954 recession to the peak of the 1960 expansion, and from the trough of the 1960–61 recession to the end of 1968. In order to adjust for the different length of the two periods, all changes are shown in terms of annual rates.