

(d) A reasonable economic growth corresponding to a trend rate of 4 percent of real GNP.

At time of writing we do not have information as to the institutional means by which the Germans have achieved this amazingly good economic performance. Unudoubtedly the much better productivity performance than in the United States, contributed to price stability, and it is very likely that the competition forced on German industry through its participation in the Common Market contributed to the superiority of both the productivity and the price performance.

ECONOMY MUST CONTINUE TO EXPAND

Because there is still a slack in our economy—idle capacity in our factories, and a level of unemployment that most other industrialized countries would consider intolerable—we must again resume expansionary economic policies in place of the restrictive policies now in effect, and avoid any more restrictive policies that might be contemplated.

One of the changes which could be made fairly quickly would be to let the 10-percent income tax surcharge die a natural death on June 30 next. That would immediately put about \$10 billion per year back into the taxpayers' pockets, and while not all of it would be in the form of consumer buying power, a great deal of it would.

There is a compelling reason, however, for preferring another course. For many years now, while the majority of consumers have become relatively affluent, the public programs required to meet the social needs of our Nation have been virtually starved. In some of our larger cities important sectors of the educational machine are grinding to a halt, with teachers being laid off and classes discontinued because of lack of funds. As regards other problems of the inner cities, urban blight, slum conditions, air pollution, delinquency, and just plain poverty, we have barely begun to scratch the surface. Our entire apparatus for health care for the citizen is woefully inadequate and disorganized. As a result, for example, our life expectancy is lower than that of many other countries whom we surpass in most material ways. There are at least 10 and probably 11 other countries where a girl baby, when she is born, can expect to live longer than one born in the United States. There are at least 17 and probably 20 other countries where a male can anticipate a longer life expectancy than in the United States. And these include such countries as East Germany, Bulgaria, Japan, Greece, and Italy, whose per capita wealth is far below ours.

One of the best measures of a nation's standard of health care is the relative proportion of children who survive or die in their first year of life, as measured by the infant mortality rate. Here the record of the United States is not only poor in comparison with many other countries, but is getting relatively worse. In 1953, there were only seven countries which had an infant mortality rate below the U.S. rate of 27.8 per 1,000. By 1963, 12 had lower rates than ours, and by 1965, 15 were ahead of us. As of 1966, the United States was tied in 17th place with Czechoslovakia. True, we had reduced our rate from 27.8 in 1953 to 23.7 in 1966. But that was far less progress than many other countries had made. Sweden, for example, had only 12.6 deaths per 1,000