

Predict 1968 Will Be Big Year For U.S. Business

ANN ARBOR—Despite problems and wartime conditions, 1968 will be the best year for American business, University of Michigan economist J. Philip Wernette predicts.

Wernette cites as one of the worrisome conditions the notion that a continuation of American prosperity depends upon military spending. He disagrees.

"Recently this fear (of a decline in military spending) was expressed in an elegant and perhaps even persuasive form as a 106-page monograph entitled 'Report from Iron Mountain to the Possibility and Desirability of Peace,'" Wernette notes.

"The authorship of the monograph is unknown, but it purports to be a report from a group of scientists meeting in a think tank." Wernette says its principal proposition is that a cessation of military expenditure would be extremely hurtful for the American economy.

"NEITHER HISTORY nor theory supports this proposition," Wernette declares. "In two years at the end of World War II, military expenditure dropped from \$87 billion to \$15 billion and aggregate demand—the gross national expenditure—dropped almost imperceptibly from \$210 billion to \$205 billion as civilian spending rose almost as fast."

"It will be noted that military expenditure was 42 per cent of the total and that the decline amounted to 34 per cent of the 1944 figure."

At the present time, Wernette notes by way of example, military expenditure is 9.5 per cent of total spending. If it were to drop to zero (which appears to be a mythical hypothesis) the hole that would have to be filled would be very much smaller than the chasm that yawned at the end of World War II and could easily be offset by appropriate cuts in tax rates and, if necessary, an expansionary monetary policy.

Wernette observes that "it is the lull in the spring of 1967 is not counted as a recession the year marked the seventh year of business expansion which is a new record."

The length of this expansion, he adds, has general concern among some persons who believe that a business expansion necessarily digs its own grave.

"THIS OPINION is mis-

Machines Replace Pickers

Quickly fading is the sight of cherry pickers with paths and ladders setting out to fill cherry lugs scattered along the tree rows. This year nearly 500 Michigan growers will "shake off" the cherries with mechanical harvesters.

Michigan State University Extension specialists estimate that more than 100 million pounds of cherries in 1968's total cherry crop will be picked by machines. This would mean that more Michigan cherries would be harvested by machine in 1968 than the total below-average short 1967 Michigan crop of 24 million pounds.

Forty-seven per cent of the 1967 cherry crop was harvested mechanically. In 1968, MSU specialists expect over 70 per cent of the crop to be machine harvested.

SWEET CHERRIES harvested mechanically in 1967 totalled approximately three million pounds, according to Jordan Levin, leader of fruit and vegetable harvesting investigations for the U.S. Department of Agriculture. Levin predicts that in 1968 this figure will double.

Those sweet cherries harvested by machine are used for canning and freezing. Sweet cherries sold on the fresh market are still hand picked.

"No good fresh fruit mechanical harvesters have yet been developed," Levin says. "But there is research in progress at Michigan State University and at universities in Pennsylvania, Massachusetts and New York."

taken," Wernette insists. "The outlook for 1968 is for a continuation of expansionary trends. Surveys suggest that both consumer expenditures and business investment will be moderately in 1968. Government expenditures will continue to increase, and gross national product will probably increase \$60 billion, equal to a little more than 7.5 per cent, accompanied by a 3.7 per cent increase in

real output and a 3.8 per cent rise in the commodity price level. Wage rates will rise by 6 per cent, personal income go up, and business profits—up before and after taxes—will gain a little."

WERNETTE EXPECTS a less expansionary Federal Reserve policy in 1968, and some restraint in government spending. He doubts that the proposed surtax will be enacted at a 10 per cent rate appli-

cable to the entire year. The recent slow rise in consumer expenditures and the higher than usual rate of personal saving suggest that people have been concerned about the proposed tax hike.

The surtax would affect inflation only slightly, Wernette concludes, adding: "It is time to scrutinize the size of the federal government and inflationary weapon, than is a tax increase."

...your family deserves

For Your Shopping Convenience
Open 9 a.m. to 9 p.m.
Thurs., Fri., Sat.
CLOSED EASTER SUNDAY



U.S.D.A. Choice Leg O'

LAMB
89¢

Whole or
Loin Half

Tenderloin
Cacklebird Roasters 4 to 6-lb.
Average 69¢
Smoked Sausage 89¢
Pork Sausage 49¢
Jumbo Size—Genuine
Roasters 39¢
5 to 7 lbs.
average

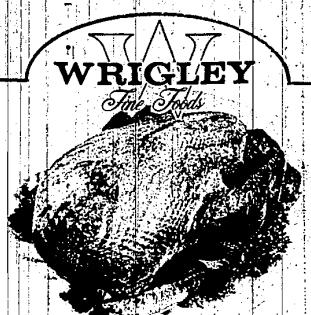


Fancy Gulf

SHRIMP
89¢

Perfect for
Easter Entertaining

Fresh Boneless
Cod Fillets 69¢
Fresh Dressed
White Fish 69¢
Fresh
Sole Fillets 89¢
Peeled & Deveined
Shrimp
12-oz.
wt. pkg. 139
24-oz.
wt. pkg. 279



Grade "A" Wrigley Prime Young

TURKEY
29¢

USDA
GRADE A

18-lbs.
& Up

Amour Golden Star or
Honeysuckle Turkeys 59¢
Top Frost
Boneless Turkey Roasts 89¢
Grade "A" Small
Broiler Turkeys 43¢
Grade "A" Wrigley Prime
Hen Turkeys
10 to 14-lb.
Average 39¢



ANGEL CAKE
35¢

Save 10¢

10-oz.
wt. pkg.



STRAWBERRIES

It's Spring
Salad Time!

Crisp Tender
Endive, Escarole
Romaine

LETTUCE
29¢

Jet Fresh
Large
Ripe

69¢

FULL
QUART

Fresh U.S. No. 1 Florida
New Potatoes 49¢
Fresh South American
Barlinke Grapes 59¢

Small Juicy
Cocktail Tomatoes 49¢
Large Tender
Pascal Celery 29¢



COCKTAIL
29¢

1-lb. 12-oz.
Can

Brighten up your home
for Easter

EASTER LILLIES

3-4 Blooms \$1.99

Plus a fine selection of fresh
potted flowers, all beautifully
foil wrapped and priced
to your taste.



100
GOLD BELL STAMPS
This coupon may be exchanged for 100
extra Gold Bell Stamps with any purchase
of \$15.00 thru \$19.99 or combined with
other 2-D coupons for as many as 450
bonus Gold Bell Stamps.
Good April 8 thru April 14. Limit one



150
GOLD BELL STAMPS
This coupon may be exchanged for 150
extra Gold Bell Stamps with any purchase
of \$10.00 thru \$14.99 or combined with
other 2-D coupons for as many as 450
bonus Gold Bell Stamps.
Good April 8 thru April 14. Limit one



200
GOLD BELL STAMPS
This coupon may be exchanged for 200
extra Gold Bell Stamps with any purchase
of \$15.00 thru \$19.99 or combined with
other 2-D coupons for as many as 450
bonus Gold Bell Stamps.
Good April 8 thru April 14. Limit one