

## Our Changing Economy

# D. C. Business Level Remarkably High

By Philip Stoddard Brown

**B**USINESS ACTIVITY in Washington was remarkably high in January. Retail trade was probably better than ever before at this season and construction activity, despite cold weather, was great. The activities of many trade associations and local businesses were increased by the convening of Congress.



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After surveying 149 major labor markets, the Labor Department reported that only in Cedar Rapids and Honolulu were employment conditions as good as in the Washington area.

The one general complaint has been about living costs. Cold weather and higher prices for fuel oil and natural gas have increased fuel bills, and here and there rents have been increased. Pepco has applied for rate increases. The cost of transportation, medical care and other services will probably continue to increase over the next few months. Only in the case of meats and a few foods is there any prospect of some reduction.

There is always a lag in the adjustment of Government salaries to the rise in consumer prices. Then, too, Government employes and some other (but not all) groups of service workers don't do as well as most factory workers in getting productivity-pay raises. Also, since so many families in Washington live in apartments, inflation is harder on them.

## People Are Better Off

Even so, people who live in Washington are better off than those who lived here 30 years ago—and, better off than people in most other cities. But, how much better?

The gain in living standards is often exaggerated. First, the average real income of Washington area families, though high, hasn't doubled in the past 30-35 years, as it has in some cities and states. Secondly, such increase as has occurred has been dissipated, in part. It takes longer to get to work. We pay to park where we once parked free. We have more things, but also growing repair bills.

And what constitutes higher living standards, anyhow? Does one who spends \$4.50 for lunch live three times better than one who spends \$1.50? Is the standard of one who spends \$7.50 for a necktie three times that of one who spends \$2.50?

We are repeatedly reminded that per capita income in the United States is double or triple that in certain "advanced" countries and 30 times greater than in "underdeveloped" countries. What statistical nonsense!

## Measuring Economic Well Being

It's time we restricted our use of terms such as gross national product, national income, personal income to measure living standards and thought more in terms of the particular goods and services we buy: store cookies, pies, fruits, restaurant meals, newspapers, movies, plays, bus rides, TV and auto-repair services. And of the things we pay for with taxes: neighborhood libraries, schools, parks, clinics, police protection and the privilege of boating and swimming in the Potomac River!

Economic well-being isn't satisfactorily measured by statistics of income and expenditures. And what's more—if I may alter and use out of context a recent line of James Thurber—the totality of getting and spending is only a part of the wholeness of living.

## AREA BUSINESS INDICATORS

	January	Per Cent Chg. from Jan. '58
<b>Employment (Metropolitan Area):</b>		
Government (civilian)*	227,964	+ 1
Government (military)**	59,100	— 8
Construction	41,200	+20
Other Private***	346,100	+ 2
<b>Construction Authorized:</b>		
Value of All Buildings (thousands of \$)	38,118	+22
Number of Dwelling Units	1,356	—16
<b>Retail Trade:</b>		
New-Car Registrations (Metro Area)	5,458	— 1
Department-Store Sales		
Downtown	—	+ 4
Metropolitan Area (1947-49=100)	123	+ 9
<b>Public Utility Services:</b>		
Electric Power (Pepco Area)		
Commercial (thousands of kwh)	127,732	+10
Residential (thousands of kwh)	106,518	+16
Gas Sales (Wash. Gas Light)		
Business (thousands of therms)	11,002	+25
Residential	62,662	+15
Telephone Service (D. C.)		
Local Calls (thousands)	82,876	+10
Out-of-Towns Calls (thousands)	1,401	+ 2
Telephones in Use	600,779	+ 4
<b>Commercial Banking (D. C. only)</b>		
Value of Checks Written (\$ million)	1,848	+15
Bank Loans Outstanding		
Commercial & Industrial (\$ million)	241	+ 5
Real Estate (\$ million)	167	+11
Consumer and Others (\$ million)	144	— 2
Food Prices (Index, 1947-49=100)	120.1	0
Newspaper Advertising Linage	7,055,416	+ 5
<b>Passenger Arrivals and Departures</b>		
at National Airport	341,327	— 4
Postal Receipts (D. C.)	\$2,733,463	+11

\*Latest figure is for December 31; includes 8,439 Christmas assistants employed by local post offices.

\*\*Latest figure available is for November 28.

\*\*\*Except proprietors, non-salaried doctors and lawyers, domestics and other self-employed persons for which there is no current tally.