TABLE 1.—*Average annual changes in per capita output*[1] *and prices*[2] *by country, 1949–58*

[Percent]

	1949–58		1949–53		1953–58	
	Output	Prices	Output	Prices	Output	Prices
Austria	6.5	7.2	5.8	11.9	6.9	3.4
Germany (Federal Republic)	6.3	[3] 3.3	10.0	[4] 4.8	5.4	2.3
Italy	5.5	2.9	5.8	4.5	5.3	1.7
France	4.0	7.0	4.2	9.9	3.9	4.6
Switzerland	3.5	[5] 1.2	3.9	1.1	3.2	[6] 1.2
Netherlands	3.2	4.3	2.7	4.9	3.6	3.8
Belgium	2.6	[5] 2.5	3.0	2.3	2.4	[6] 2.7
Sweden	2.5	5.1	2.1	7.5	2.9	3.2
Norway	2.5	5.4	3.6	7.4	1.6	3.8
Denmark	2.1	4.0	2.8	5.5	1.6	2.9
United Kingdom	1.9	4.5	2.2	5.1	1.8	4.1
United States	1.9	2.4	4.5	2.7	(−.1)	2.3

[1] Real gross national product per capita.
[2] Price indexes of gross national product.
[3] 1950–58.
[4] 1950–53.
[5] 1949–57.
[6] 1953–57.

Source: OEEC, "General Statistics."

In general, the two periods may be taken to represent two distinct types of challenges to the stability characteristics of the wage-price mechanism in the various countries. That is, the problems of the first period were to a large extent dominated by the difficulties of adjustment to what for any individual country appeared as primarily external influences—the exchange devaluation of 1949 and sharp fluctuations in export demand and import prices. Since 1953, on the other hand, the international economic situation has been stable enough to bring problems of internal stability to the fore.

While the relation between price and per capita output movements is blurred, a somewhat more consistent pattern may be discerned in the movement of price levels alone. Over the whole period 1949–58 the countries ranked by rate of price increase fall into three more or less distinct groups. In four countries—Belgium, Germany, Italy, and Switzerland—the annual rate of increase in prices was consistently low, averaging between 1 and 3½ percent per annum. In a second group—Denmark, Netherlands, Norway, Sweden, and the United Kingdom—the rate of price increase has been significantly higher, averaging from 4 to about 5.5 percent. France and Austria with an average annual rate of price increase of 7 and 7.2 percent constitute a third group. Moreover, this same grouping (with the exception of Austria) appears to hold for the two subperiods as well, despite the pronounced difference between the periods in the movement of import prices.

From the comparison between changes in price levels and import prices in table 2 it is apparent that rising costs associated with increases in external prices can be judged an important element in general price movements only for the years 1949–53. For those years the magnitude and impact (as roughly measured by the ratio of imports to national product) of higher costs of imports seem to be closely related (except for France and Belgium) to the upward shifts in the price level in the various countries. For the following years, how-