section, however, has been incorporated, which indicates, very roughly, the influence of relative changes in the prices of raw materials.

Table 6 summarizes the changes in output, prices, and the major components of unit costs in the 1948–56 period. On the basis of this table, each industry may be classified according to the changes in its relative unit labor cost, the changes in the relative demand for its products (as reflected in the price and output changes), and the changes in its gross margin (i.e. the percent of value added represented by gross business income). Table 7 shows the 19 manufacturing industries classified by this three-way classification method. Before examining table 7, however, let us consider exactly what behavior of gross margins our assumptions would lead us to expect.