

these prices have tended to rise *less* in the two more recent recessions. The changes in the behavior of the wholesale and consumers price indexes are therefore largely due to changes in the behavior of raw materials prices, not prices of the value added within manufacturing industries.

Over the complete business cycle, it is apparent that labor cost per unit behaves more like a fixed cost than a variable one. In fact, in this regard, it conforms to the expected behavior of a fixed cost more consistently than capital consumption per unit. Part of the explanation for this characteristic of labor cost behavior is the increasing proportion of compensation per unit going to salaried employees instead of wage employees.

In closing, it should be noted that the data presented in this study have by no means been fully exploited. There are many problems for which they might be used which have not been considered in this paper. For example, nothing is presented regarding the timing of changes in one type of cost relative to changes in other costs. It is hoped that the presentation here of the detailed cost data will permit further research to be carried on by others interested in price and cost behavior.