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CHAPTER 4

Growth of Total National Wealth

The Postwar Period

ACCORDING to the estimates presented in this report—from now on qualifications will be omitted unless there is a specific reason for them—the net civilian national wealth¹ of the United States in current prices increased from a total of about \$575 billion at the end of 1945 to \$1,700 billion thirteen years later (Chart 1). The annual average rate of growth for the decade thus is slightly above 8.5 per cent. As the prices of tangible assets rose considerably during that period—slightly more than the general price level represented by the gross national product deflator—the average rate of growth in constant (1947-49) prices was substantially lower, averaging 3.5 per cent a year for the period as a whole. The rate of increase is further reduced to 1.8 per cent per year if account is taken of population growth.

As a result of the somewhat more rapid growth of reproducible than of nonreproducible tangible wealth, all rates of growth are slightly higher if attention is limited to reproducible wealth. For this, the major part of national wealth, which comprises structures, equipment, and inventories, the rate of growth after adjustment for price changes averaged 3.9 for the period. Real reproducible wealth per head of the population increased at the rate of 2.1 per cent for the thirteen-year period as a whole.

The year-to-year movements in the rate of growth of real wealth, shown in Chart 2, reflect, as would be expected, the cyclical fluctuations during the period. Growth was particularly rapid in 1948, the peak year, with a rate of 4.9 per cent compared with the average of 3.5 per cent for the entire period; for 1950 and 1951, 4.3 per cent; and for 1955, 4.5 per cent. The smallest increases were registered in the three recession years since the end of World War II, in 1958, 2.3 per cent, in 1949, 2.6 per cent, and in 1954, 2.9 per cent.²

For the three trough-to-trough cycles occurring within the period the rate of growth in total civilian deflated national wealth averaged³

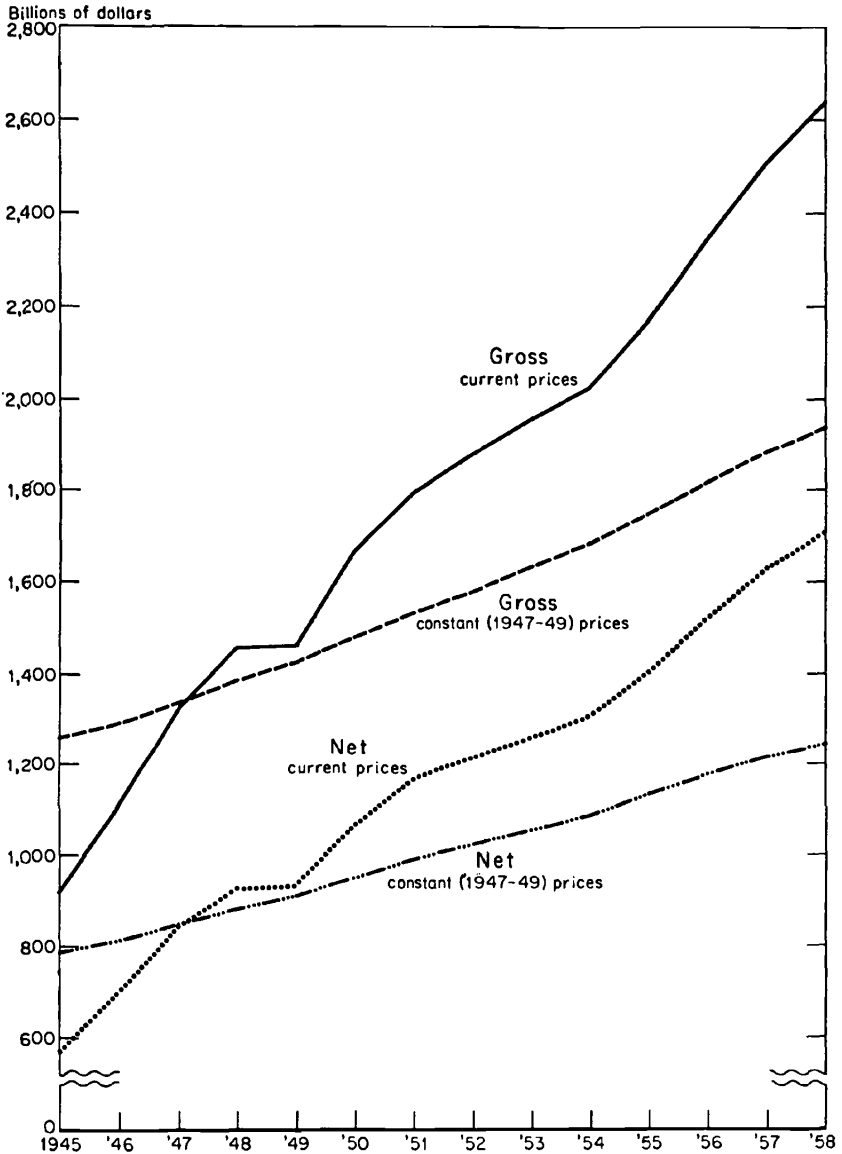
¹ The difference between net national wealth and gross national wealth, which will be discussed later, is that reproducible tangible assets are included at their depreciated value in net national wealth but are carried at their undepreciated value in the estimates of gross national wealth until their assumed useful life expires.

² These figures are taken from Table A-4.

³ First and last year of cycle assigned weight of one-half.

GROWTH OF TOTAL NATIONAL WEALTH

CHART 1
Gross and Net Total Wealth, 1945-58

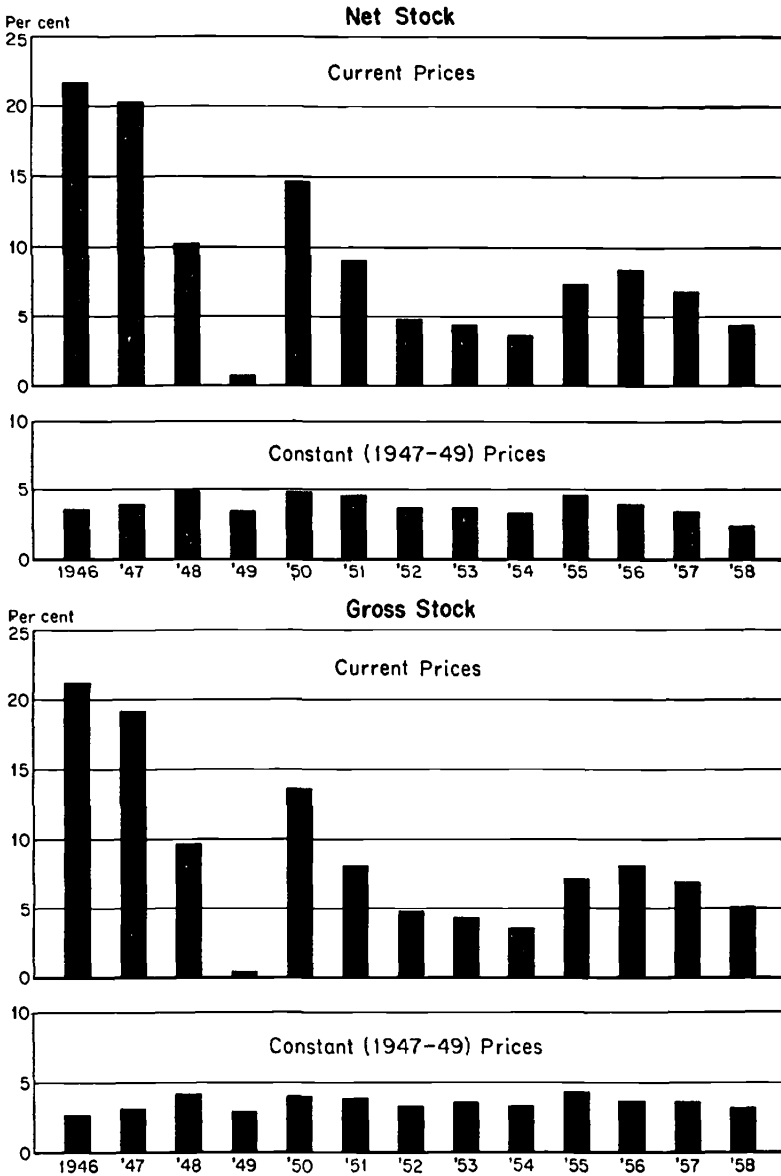


Source: For underlying data, see Tables A-5, A-6, A-7 and A-8.

GROWTH OF TOTAL NATIONAL WEALTH

CHART 2

Annual Rate of Change of Net and Gross Reproducible Wealth, 1946-58



Source: Underlying data from Tables A-3 and A-4.

GROWTH OF TOTAL NATIONAL WEALTH

3.9 per cent, 1946-49; 3.7 per cent, 1949-54; and 3.5 per cent, 1954-58. A similar slight decline is shown for the two peak-to-peak cycles of 1948-53, 3.8 per cent, and 1953-57, 3.6 per cent.

The rates of growth for the postwar period are only slightly different if a somewhat broader or narrower concept of national wealth is adopted. This is evident from Table 4. Using the broadest concept, for which estimates have been made—total civilian wealth including consumer durables plus military assets—the average rate of growth of deflated wealth for the period 1945-58 is 3.0 per cent, noticeably lower than that for civilian wealth (3.5 per cent) because of the relatively small increase in military assets over the period as a whole. Inclusion of military assets, moreover, reverses the position of the two halves of the period. If military assets are included, the rate of growth in the first half—practically entirely before the Korean War—is considerably lower with 2.6 per cent than it is in the second half, when it reaches 3.4 per cent, just the opposite of the relationship for civilian wealth for which the rates are 3.9 per cent (1946-51) and 3.3 per cent (1952-58).

Under the narrowest concept of national wealth—a concept rarely explicitly used—which may be regarded as equivalent to business wealth, and which excludes not only consumer durables but also all durable assets of government and nonprofit institutions and all housing, the rate of growth of deflated wealth averages 3.4 per cent for the entire postwar period, compared with 3.5 per cent for the standard concept (total civilian wealth).

Taking trough-to-trough cycles, the growth rate for business wealth shows a continuous decline—from 3.9 per cent for the 1946-49 cycle to 3.4 per cent and 3.2 per cent in the two following cycles. This is similar to, but more pronounced than, the reduction in the rate for total civilian wealth from 3.9 per cent to 3.5 per cent. Using peak-to-peak cycles, the rate of growth of business wealth falls from 3.6 per cent in 1948-53 to 3.1 per cent in 1953-57, while that for all civilian wealth declines only slightly from 3.8 per cent to 3.6 per cent and that for nonbusiness wealth (mainly housing, consumer durables, and government structures) increases from 3.8 per cent to 3.9 per cent.

The trend of growth of national wealth thus depends on the scope of assets included. There is some indication of a decline in the rate of growth over the postwar period for business wealth, but none for household and public wealth. A longer time span is needed before one can be sure that the movements over the years since the end of World War II reflect long-time trends.

TABLE 4
 AVERAGE RATE OF GROWTH OF REAL (DEFLATED) NATIONAL WEALTH,
 VARIANT DEFINITIONS, SELECTED PERIODS, 1946-58
 (per cent per year)

PERIOD	Total Including Military (1)	CIVILIAN				HOUSEHOLD AND PUBLIC			
		Consumer Durables		Business	Excluded	Consumer Durables		Excluded	Population Employment
		Included	Excluded			Included	Excluded		
(2)	(3)	(4)	(5)	(6)	(7)	(8)			
A. NET WEALTH									
1946-58	3.03	3.50	3.09	3.46	3.70	2.84	1.73	1.81	
1946-51	2.61	3.89	3.16	4.12	3.73	2.38	1.74	3.04	
1952-58	3.38	3.32	3.02	2.80	3.67	3.23	1.72	0.76	
1946-49 ^a	2.16	3.86	3.10	3.91	3.82	2.46	1.78	3.26	
1949-54 ^a	3.49	3.71	3.10	3.39	3.78	2.87	1.69	0.58	
1954-58 ^a	3.45	3.54	3.23	3.16	3.81	3.32	1.75	1.54	
1948-53 ^a	3.32	3.76	3.18	3.63	3.84	2.80	1.69	0.82	
1953-57 ^a	3.57	3.58	3.19	3.05	3.94	3.32	1.75	1.44	
B. GROSS WEALTH									
1946-58	2.74	3.50	2.81	3.12	3.71	2.57	1.73	1.81	
1946-51	2.33	3.40	2.76	3.59	3.31	2.15	1.74	3.04	
1952-58	3.09	3.58	2.85	2.71	4.06	2.95	1.72	0.76	
1946-49	2.04	3.28	2.54	3.27	3.32	2.06	1.78	3.26	
1949-54	2.72	3.56	2.95	3.36	3.68	2.70	1.69	0.58	
1954-58	3.38	3.73	2.95	2.80	4.26	2.97	1.75	1.54	
1948-53	2.52	3.57	3.00	3.50	3.60	2.60	1.69	0.82	
1953-57	3.29	3.74	2.98	2.89	4.24	3.04	1.75	1.44	

SOURCE: For basic figures, see Tables A-6 and A-8.
^a First and last year weighted one-half (in cols. 1-6).

GROWTH OF TOTAL NATIONAL WEALTH

During the postwar period, the rates of growth of gross national wealth, adjusted for price changes, are considerably lower than those for net national wealth (except in the case of civilian wealth including consumer durables), reflecting the relatively rapid rise of capital expenditures and the consequent reduction of the average age of the stock of reproducible assets. For aggregate gross reproducible tangible wealth excluding inventories—and it is only for this segment that gross and net stock differ—the average rate of growth is 3.5 per cent a year against 4 per cent for the net stock of structures and equipment.⁴ The difference is relatively small for consumer and government durables, but very pronounced for the reproducible assets of business. This difference reflects the sharp rise in expenditures on business structures and equipment, within the postwar period and also in comparison with the prewar decades, an acceleration which results in a large excess of depreciation allowances over retirement.⁵ As a result the rate of growth averages 3.6 per cent for the gross stock of business structures and equipment compared with a rate of 4.1 per cent for the net stock.

The relative difference between the rates of growth of net and gross stock are, of course, more pronounced when allowance is made for growth in population or labor force. The per-head rates of growth for deflated gross stock are then about one-fifth lower than those for net stock, if all reproducible assets are taken together (1.8 per cent against 2.2 per cent a year); but they are almost halved in the case of business structures and equipment (1.4 per cent against 2.4 per cent).

When national wealth estimates, adjusted for price changes, are used in economic analysis, neither gross nor net stock can be regarded as a measure of productive capacity or changes in it. While much depends on the technique used to deflate current capital expenditures and on other peculiarities of the data and their manipulation, it is likely that, in general, productive capacity in the sense of output at practically full utilization of resources will grow at a rate somewhere between the rates indicated by net and gross wealth.

An important characteristic of national wealth is thus provided by the ratio of its net value (net of depreciation) and its gross value (net of retirements) which is shown in Chart 3. This ratio, which applies only to structures and equipment, is an indicator of the proportion of

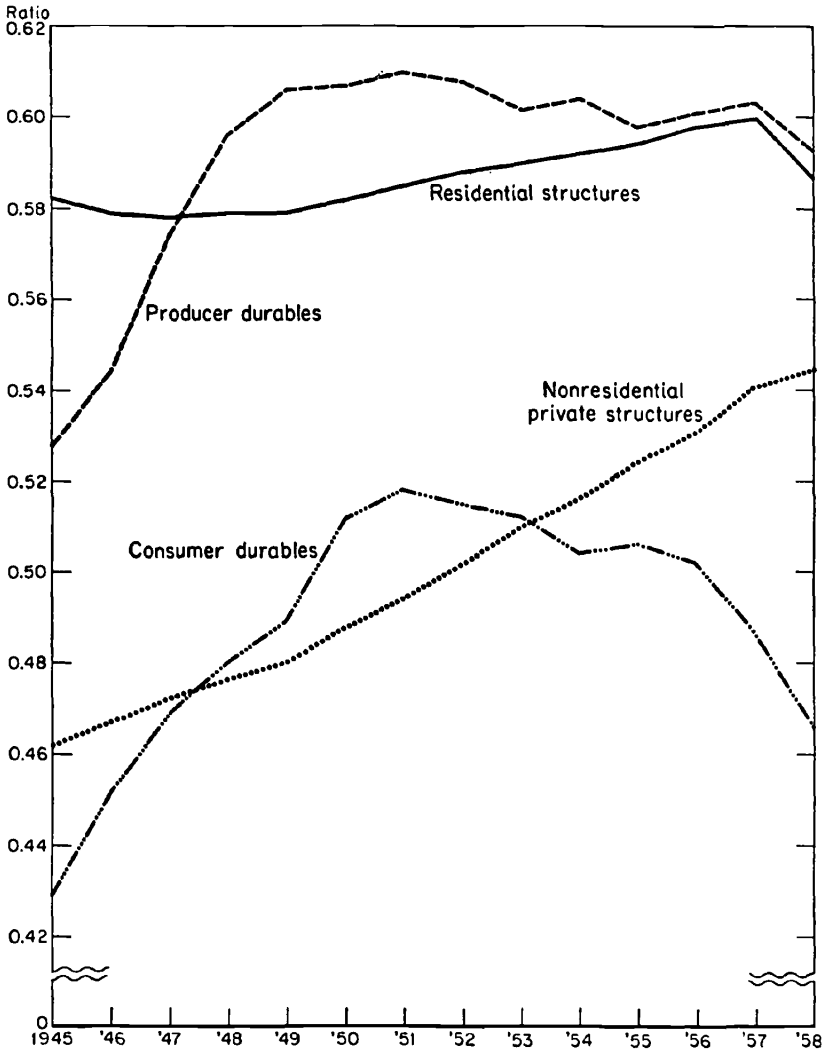
⁴ For basic figures see Tables A-6 and A-8.

⁵ Both series, as used in this report, are based on conventional length-of-life assumptions. There is little doubt, however, that the excess would persist if information were available on actual retirements.

GROWTH OF TOTAL NATIONAL WEALTH

CHART 3

Net-Gross Stock Ratio of Selected Assets, 1945-58
(current prices)



Source: Underlying data from Tables A-5 and A-7.

GROWTH OF TOTAL NATIONAL WEALTH

the original investment in structures and equipment which is still unrecovered on the basis of the length-of-life assumption and the depreciation schedule that are applied. To the extent that both, as well as the adjustment for price changes, are realistic, the ratio measures the proportion of useful life expired and provides an indication of the proportion of original investment still available for use in production.

The ratio (which would be 0.50 in a static economy in which the amount of gross capital expenditures is the same, year after year⁶) stood—on the basis of current prices of the net and gross stock—at 0.53 at the end of 1945, advanced gradually to 0.57 in 1956 and 1957, and then dropped slightly to 0.56 in 1958. Producer durables and structures both show ratios of about 0.59 for 1958 in contrast to only 0.47 for consumer durables. The levels of and changes in the net-gross ratios for individual types of assets can be followed, on an annual basis, in Table A-65. The level for the two main constituents, business plant and equipment, and household and public structures and consumer durables, started at about the same level—50 and 56 per cent, respectively, in 1945—but the ratio advanced to about two-thirds in 1958 for business plant and equipment while remaining practically stationary for the second category.

A Longer Perspective

In a question such as the rate of growth of a nation's capital stock, long-range perspective is essential. How does the rate of growth of national wealth in current prices observed during the postwar decade compare with American experience in the past? And how does its distribution among changes in the price level, in population, and in real capital per head compare? Table 5 tries to answer this question insofar as a few summary figures can do so.⁷

In comparison with three semicentennial periods before World War II—1805 to 1850; 1850 to 1900; and 1900 to 1945—the growth of wealth during the postwar period is characterized by the following features:⁸

1. The decline in the share of nonreproducible assets, particularly farm land, continued (Chart 4). This will be discussed in the first section of Chapter 5. What follows is limited to reproducible wealth.

⁶ Cf. Chapter 3.

⁷ It is hardly necessary to stress that the wealth estimates for the nineteenth century are considerably weaker than those for the last sixty years, imperfect as the latter are. The very broad comparisons made here may not, however, be seriously affected.

⁸ The margin of error in the figures, of course, increases as we go back in time.

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TABLE 5

DISTRIBUTION OF GROWTH OF REPRODUCIBLE TANGIBLE WEALTH, EXCLUDING MILITARY,
AMONG INCREASE IN POPULATION, CHANGE IN PRICE LEVEL, AND GROWTH OF
REAL WEALTH, SELECTED PERIODS, 1805-1958

(per head)

	<i>Successive Periods</i>					<i>Periods Ending 1958</i>			
	1945 to 1958 (1)	1929 to 1945 (2)	1900 to 1929 (3)	1850 to 1900 (4)	1805 to 1850 (5)	1929 to 1958 (6)	1900 to 1958 (7)	1850 to 1958 (8)	1805 to 1958 (9)
A. ANNUAL PERCENTAGE RATE OF GROWTH^a									
1. Nonmilitary wealth, current value	8.80	2.17	5.91	5.20	4.40	5.21	5.56	5.31	5.21
2. Population	1.73	0.86	1.62	2.40	3.00	1.25	1.43	1.89	2.20
3. Wealth per head ^b	7.07	1.31	4.29	2.80	1.40	3.96	4.13	3.62	3.01
4. Price level ^c	4.93	1.98	2.62	0.30	-0.80	3.19	2.91	1.74	1.02
5. Real wealth per head ^d	2.14	-0.67	1.67	2.50	2.20	0.77	1.22	1.88	1.99
6. Real wealth	3.87	0.19	3.29	4.90	5.20	2.02	2.65	3.77	4.19
B. PER CENT OF TOTAL GROWTH RATE									
1. Nonmilitary wealth, current value	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2. Population	19.7	39.7	27.4	46.2	68.2	24.0	25.7	34.3	42.2
3. Wealth per head ^b	80.3	60.3	72.6	53.8	31.8	76.0	74.3	65.7	57.8
4. Price level ^c	56.0	91.2	44.3	5.8	-18.2	61.2	52.3	31.6	19.6
5. Real wealth per head ^d	24.3	-30.9	28.3	48.1	50.0	14.8	21.9	34.1	38.2
6. Real wealth	44.0	8.8	55.7	94.2	118.2	38.8	47.7	68.4	81.4

SOURCE: Data from Income and Wealth Series II, p. 306; and Tables A-1 and A-2, below.

^a Calculated from ratio between value at beginning and at end of period.

^b Line 1 less line 2.

^c Implicit; calculated as difference between lines 3 and 5.

^d Line 6 less line 2.

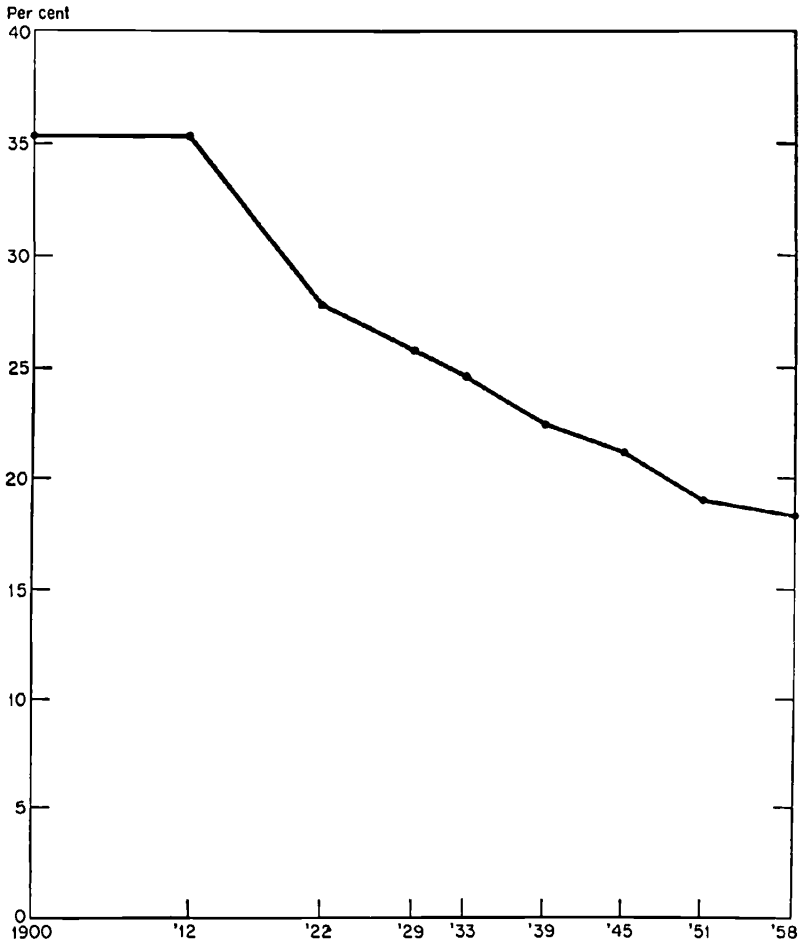
2. The current value of reproducible tangible wealth grew very rapidly (Chart 5). The rate of almost 9 per cent a year is well in excess of that for any of the three semicentennial periods. It is at least as high as that observed for any ten-year period for which we have separate estimates, including the decades 1860-70 and 1912-22 which cover the two preceding war and postwar inflations.⁹

⁹ The rate of growth for the period 1860-70 was only 4 per cent for the aggregate and 1.7 per cent for the current value of reproducible wealth per head if Willford I. King's estimates are used (*The Wealth and Income of the People of the United States*, New York, Macmillan, 1919, pp. 256-259). The rate of growth for the period 1912-22 is estimated at 8 per cent for aggregate reproducible wealth in current prices and 6.5 per cent for wealth per head. If we select for this comparison the

GROWTH OF TOTAL NATIONAL WEALTH

CHART 4

Share of Nonreproducible Constituents in Total Wealth,
Selected Years, 1900-58
(current prices)



Source: Underlying data from Table A-5.

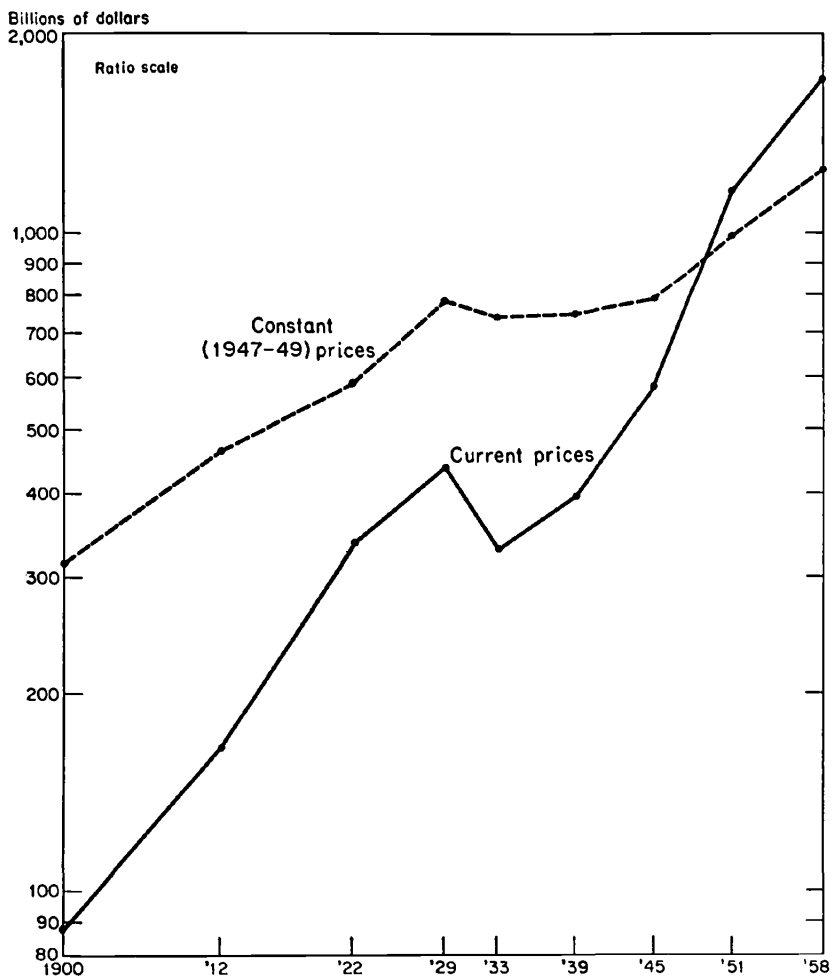
3. Rising prices accounted for a high proportion of the growth of the current value of reproducible wealth (Chart 6). For the postwar

period 1939-48 which is more appropriate in its location relative to the years of actual warfare, the rate of growth (9 per cent in the aggregate and 7.5 per cent per head) during the World War II decade equals the partly overlapping postwar period.

GROWTH OF TOTAL NATIONAL WEALTH

CHART 5

Total Net Wealth, Excluding Military,
Selected Years, 1900-58



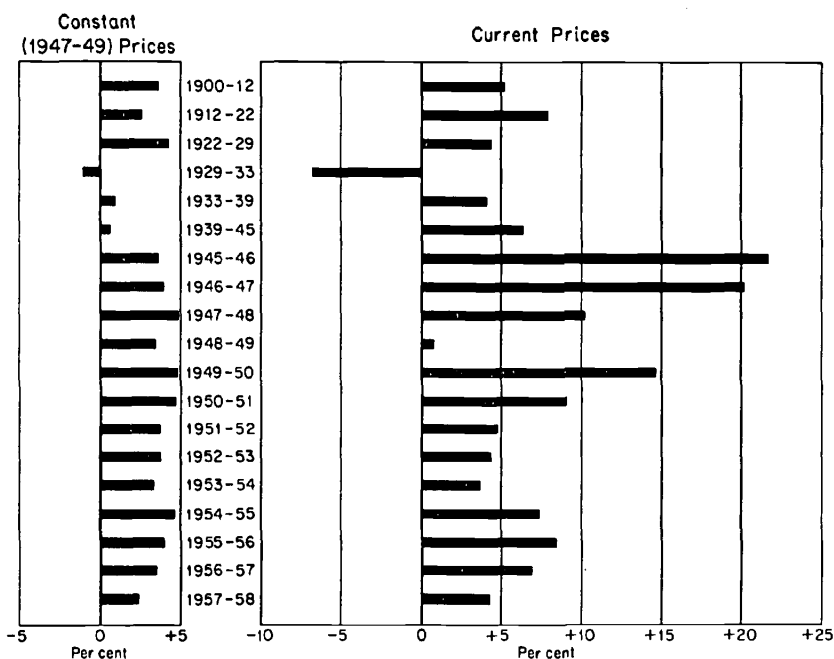
Source: Underlying data from Tables A-1 and A-2.

period as a whole almost three-fifths of the total increase in the current value of tangible wealth is attributable to the price factor. It is, however, worth notice that the share of the rise of prices in the growth of the current value of wealth during the decade 1946-55 is not much above that for the average of the entire period 1900-45 in which the absolute

GROWTH OF TOTAL NATIONAL WEALTH

CHART 6

Annual Rate of Change of Net Reproducible Wealth,
Selected Periods and Years, 1900-58



Source: Underlying data from Tables A-3 and A-4.

rate of growth of the current value of wealth was considerably smaller. During the nineteenth century as a whole, on the other hand, only a negligible part of the growth of the current value of reproducible wealth was attributable to a rise in the price level of durable goods.

4. The growth of population showed a relatively low share in the increase of real reproducible wealth. During the postwar period, more than two-fifths of the increase in total real wealth was absorbed by the increase in the number of people, compared with a share of almost three-fifths in the preceding half-century, a share of one-half for the second half of the nineteenth century, and a share of three-fifths for the period 1805 to 1850.

5. The rate of growth of reproducible wealth per head of 2.2 per cent per year—for the economist, probably the most relevant of all these measures—is slightly above the average for the entire period from 1805

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to 1945; only slightly below the average for the entire nineteenth century; and far above the average for the period 1900-45 as a whole. What is more significant, the rate is slightly above the average for the first three decades of the twentieth century (1.7 per cent), although somewhat below the average for the new era of the twenties (1922-29, 2.5 per cent).

6. The relation between the rates of growth of national wealth in the postwar period, comparing concepts of different scope, is partly similar and partly different from what it had been in the 1900-45 period and—possibly more relevantly—in the 1900-29 period (Table 6 and Chart 7). The postwar period resembled the first three decades of the century, in that the rate of growth of household and public wealth (including consumer durables) was higher than that of business wealth (3.7 per cent against 3.5 per cent, both adjusted for price changes but before adjustment for population growth). On the other hand, the first three decades do not exhibit the marked excess within household wealth of the rate of growth of consumer durables over that of housing and government structures that characterized the postwar period. Finally, the difference between the rates of growth of total and civilian wealth was, of course, absent in the 1900-29 period (though it was even more pronounced in the 1929-45 period), since military assets were of negligible size until World War II.

7. Because of the existence of long swings in many basic economic series, one must be very careful to interpret the level of the rate of growth of national wealth or components of it, during the postwar period, as indicating a change in trend. The existence of such swings in the case of reproducible tangible wealth is indicated in Table 7, which shows the average annual rate of change of reproducible tangible wealth in constant (1929) prices for the fifteen reference cycles since 1896 distinguished by the National Bureau. Taken alone, the average rate of growth for the three postwar cycles of about 4 per cent per year is high, since the same average for the preceding twelve cycles is slightly below 3.5 per cent. However, the high rate for the three postwar cycles, particularly the second and third, may well reflect the top of a long swing rather than a change in trend, similar for example to cycles 8 to 10 (1921-32), which showed an average rate of growth of 3.5 per cent a year; or to cycles 2 to 4 (1900-11), with an average of 3.75 per cent.

8. On the whole, when attention is limited to broad aggregates, the similarities between the growth of national wealth in the postwar

TABLE 6
NATIONAL WEALTH PER HEAD, SELECTED YEARS, 1900-58

END OF YEAR	ALL NONBUSINESS WEALTH				REPRODUCIBLE TANGIBLE NONBUSINESS WEALTH				Business Wealth (8)	
	<i>Consumer Durables</i>		Business Wealth (4)	Total (5)	<i>Consumer Durables</i>		Business Wealth (7)			
	Included (2)	Excluded (3)			Included (6)	Excluded (7)				
A. NET DOLLARS PER HEAD, CURRENT PRICES										
1900	1,144	488	410	656	772	367	288	405		
1912	1,718	718	577	1,001	1,135	545	404	590		
1922	3,061	1,484	1,200	1,577	2,136	1,083	800	1,053		
1929	3,587	1,937	1,593	1,650	2,559	1,407	1,062	1,152		
1933	2,621	1,482	1,278	1,139	1,914	1,079	875	885		
1939	3,015	1,779	1,532	1,237	2,329	1,416	1,161	920		
1945	4,062	2,382	2,020	1,680	3,144	1,567	1,567	1,215		
1945	4,097	2,444	2,115	1,653	3,249	1,736	1,736	1,183		
1951	7,480	4,291	3,504	3,189	5,964	3,594	2,808	2,370		
1958	9,781	5,671	4,566	4,111	7,873	3,678	3,678	3,090		
B. NET DOLLARS PER HEAD, CONSTANT (1947-49) PRICES										
1900	4,094	1,935	1,654	2,159	2,888	1,482	1,201	1,405		
1912	4,826	2,354	2,014	2,473	3,486	1,817	1,477	1,669		
1922	5,382	2,746	2,400	2,636	3,921	2,013	1,668	1,908		
1929	6,352	3,553	3,085	2,799	4,673	2,620	2,153	2,052		
1933	5,886	3,427	3,032	2,459	4,334	2,518	2,123	1,816		
1939	5,699	3,390	2,952	2,309	4,358	2,655	2,217	1,703		
1945	5,429	3,174	2,738	2,255	4,202	2,525	2,090	1,677		
1945	5,608	3,324	2,915	2,283	4,429	2,793	2,384	1,686		
1951	6,364	3,738	3,030	2,626	5,126	3,133	2,425	1,993		
1958	7,097	4,246	3,386	2,851	5,830	3,628	2,719	2,202		

(continued)

TABLE 6
(concluded)

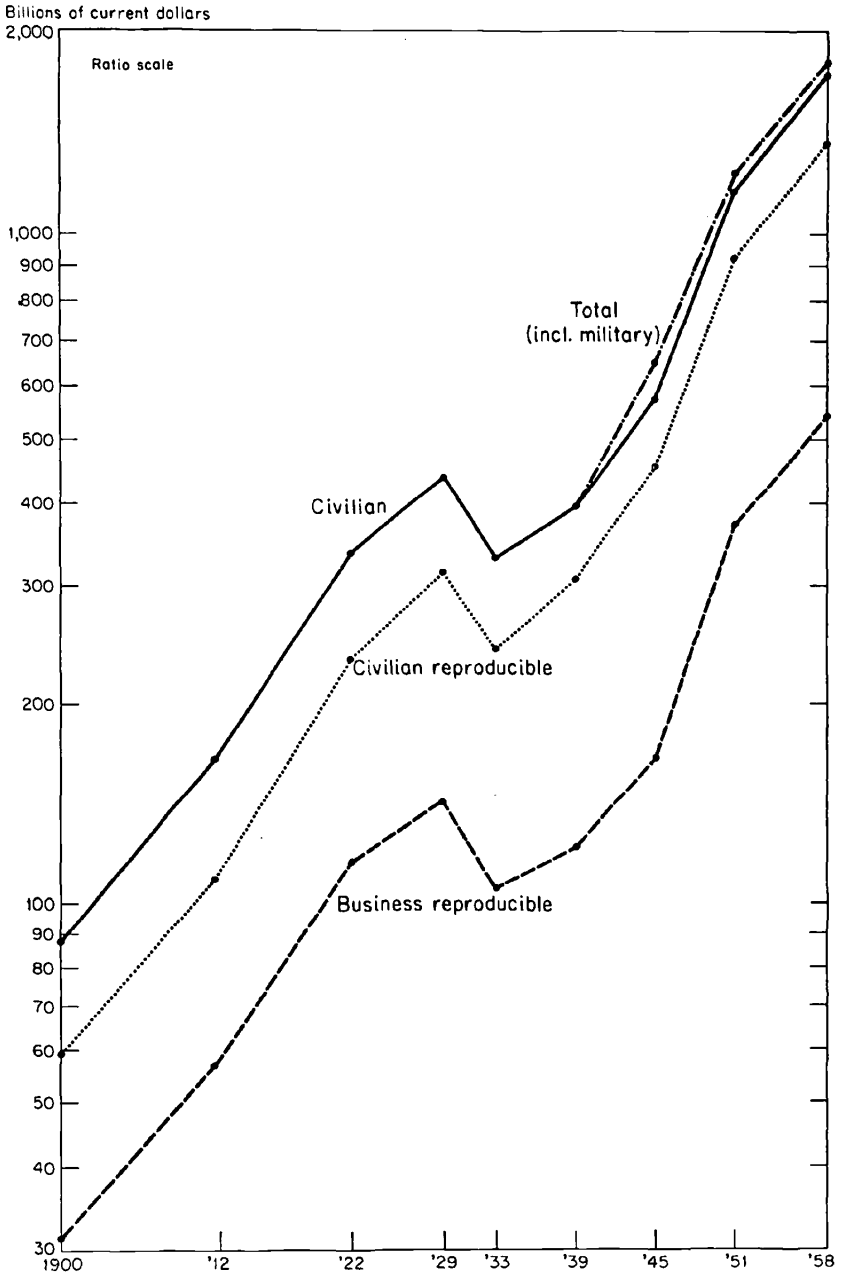
END OF YEAR	ALL NONBUSINESS WEALTH				REPRODUCIBLE TANGIBLE NONBUSINESS WEALTH			
	<i>Consumer Durables</i>		Business Wealth		<i>Consumer Durables</i>		Business Wealth	
	Total (1)	Included (2)	Excluded (3)	(4)	Total (5)	Included (6)	Excluded (7)	(8)
1900-12	1.38	1.65	1.65	1.14	1.58	1.71	1.73	1.44
1912-22	1.10	1.55	1.77	0.64	1.18	1.02	1.22	1.35
1922-29	2.40	3.75	3.65	0.86	2.54	3.83	3.61	1.04
1929-33	-1.92	-0.91	-0.43	-3.29	-1.90	-1.00	-0.35	-3.10
1933-39	-0.54	-0.18	-0.45	-1.05	0.09	0.78	0.72	-1.07
1939-45	-0.81	-1.10	-1.26	-0.40	-0.61	-0.84	1.00	-0.30
1945-51	2.13	1.98	0.65	2.36	2.47	1.93	0.28	3.34
1951-58	1.57	1.84	1.38	1.18	1.86	2.12	1.65	1.42
1945-58	1.83	1.90	1.04	1.72	2.14	2.03	1.02	2.30
1900-29	1.53	2.12	2.17	0.90	1.67	1.98	2.03	1.31
1929-58	0.38	0.62	0.27	0.06	0.77	1.13	0.81	0.23
1900-58	0.95	1.36	1.22	0.48	1.22	1.55	1.42	0.78

Source: Based on data in Tables A-1 and A-2.

GROWTH OF TOTAL NATIONAL WEALTH

CHART 7

Growth of National Wealth, Alternative Definitions,
Selected Years, 1900-58



Source: Underlying data from Tables A-1 and A-5.

TABLE 7

RATE OF GROWTH OF TOTAL REPRODUCIBLE TANGIBLE ASSETS
OVER NBER REFERENCE CYCLE PHASES, 1896-1958

Line	Dates of Reference Cycles		Average Yearly Standing (\$ billion of 1947/49)	Per Cent Change from Preceding Phase		Full cycle (4)	Per Cent Change from Preceding Cycle		Per Cent Change from Preceding Phase Per Year	Con- traction (10)
	Trough	Peak		Expan- sion (2)	Con- traction (3)		Expan- sion (5)	Con- traction (6)		
1.	1896	1899	1900	112.8	120.4	114.7	+6.7			+3.4
2.	1900	1903	1904	129.0	138.6	131.4	+7.4	+7.1	+3.6	+3.7
3.	1904	1907	1908	149.8	161.8	152.8	+8.1	+8.1	+3.9	+4.0
4.	1908	1910	1911	169.2	177.8	172.1	+5.1	+4.6	+3.6	+3.4
5.	1911	1913	1914	186.4	195.6	189.5	+4.9	+4.8	+3.4	+3.3
6.	1914	1918	1919	208.6	221.2	211.1	+6.0	+5.6	+2.8	+2.4
7.	1919	1920	1921	227.0	230.8	228.9	+1.7	+2.6	+2.4	+1.7
8.	1921	1923	1924	239.5	255.3	244.8	+6.6	+3.8	+2.8	+4.4
9.	1924	1926	1927	273.5	292.8	279.9	+7.1	+7.1	+4.8	+4.7
10.	1927	1929	1932	308.2	319.5	315.0	+3.7	+5.3	+3.1	+1.5
11.	1932	1937	1938	201.5	311.1	303.1	+3.2	-5.6	-0.2	-1.1
12.	1938	1944	1946	333.6	337.0	334.5	+1.0	+7.2	+1.5	+0.2
13.	1946	1948	1949	368.9	398.0	378.6	+7.9	+9.5	+2.3	+5.2
14.	1949	1953	1954	464.7	510.1	473.8	+9.8	+16.8	+5.8	+3.8
15.	1954	1957	1958	552.4	590.5	561.9	+6.9	+8.3	+3.9	+3.4

SOURCE: 1896-1945, *A Study of Saving* . . . , Vol. III, Table W-3, 1946-58, Table A-26 below (converted to 1929 prices).
a Base average of preceding cycle.

GROWTH OF TOTAL NATIONAL WEALTH

period and that observed in the preceding century are much more pronounced than the differences. The growth of national wealth in the years 1946-58 has followed the pattern of the preceding two or three generations. Differences in detail naturally exist, and there will be occasion to point out some of them in greater detail in Chapter 5.