BUSINESS BOOMS and DEPRESSIONS since 1775
AN ACCURATE CHARTING OF THE PAST AND PRESENT TREND OF PRICE INFLATION, FEDERAL DEBT, BUSINESS, NATIONAL INCOME, STOCKS AND BOND YIELDS
with A SPECIAL STUDY of POSTWAR PERIODS
TENSION ENVELOPE CORP.
years of prosperity.

first, a brief period of uncertainty; then a year or move of business recovery followed by a short

to produce and sell for peace.

structure of the postwar economy. We may apply these findings to industry as a whole or to

general pattern of these reactions is outlined in this chart by the Red and Green

POSTWAR PERIODS

By taking these reactions as outlined in this chart we may sketch a picture of the probable

former wars. This var is conducted on a much broader scale with more intense and concentrated

period. This period begins when a majority of businesses have completed reconversion and are

utilization of econonric resources. The cost involved is much greater.

remains to be seen Many factors involved in the present situation did not exist at the end of

quality will be determined by business management policies, labor management policies, and the

to accomplish the impossible, by the release of powerful new reserves in the human spirit and

wisdom of Government action in the preceding periods.

the impact of these vast amounts of money staggers the imagination. Our National Income rose

of 1942 income and our anticipated

We can, in a measure, visualize the magnitude of this war by comparing our National Income

the National Income rose

surred 83 billion dollars. Of this sum 13 billion dollars was paid in salaries and wages to Government

from 77 billion in 1940 to 120 billion in 1942, an increase of 43 billion. The 1943 estimate of 146

sented 83 billion dollars. Of this sum 13 billion dollars was paid in salaries and wages to Government

of intensive effort. Airplane and ship construction continue to expand.

Steel production has been temporarily hampered by coal strikes. Electric

output continues to increase.

Bottom and top price levels are set by controls at 15 cents and 1.00 cents

The demand for food has been increased by several factors: 1—Peak

3—A surplus of money to spend for food.

4—The need of our

production work requires more food energy; 2—The needs of our

between diminishing supplies and growing demand.

3—A surplus of money to spend for food.

rationing, and black markets are manifestations of the widening rift

the face of supply and demand which would ordinarily result in sharp

increases without control. Second, to distribute scarce food equally

food prices is especially sharp. The ever-growing scope of scarcity,

Vast consumer buying and higher prices hold the dollar volume of retail

between 40 and 50 billion dollars. The situation as a whole is one of

The high level of consumer buying has kept prices at remarkably low levels. This has been

the economy is far stronger.

The business volume scale still points up. When this peak will be

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