SOME OF THE FACTORS CONTRIBUTING TO ECONOMIC PROGRESS WHICH HAVE IN TURN ACCOUNTED FOR THE GROWING INTERDEPENDENCE OF AGRICULTURE AND OTHER SEGMENTS OF OUR ECONOMY

A Chart Presentation by Tyrus R. Timm

"WE ARE BY LONG ODDS THE RICHEST, MOST PRODUCTIVE NATION IN HUMAN HISTORY"*

*U.S.A. Measure of a Nation Twentieth Century Fund

This Means

Compared to Any Other Country WE HAVE MADE GREATER ECONOMIC PROGRESS and in Doing So It Appears That AGRICULTURE AND OTHER GROUPS IN THE ECONOMY HAVE BECOME MORE INTERDEPENDENT
On the Farm Side, This Interdependence Shows up Particularly in the
POLITICAL ARENA and MARKET PLACE
and Is Reflected in
The Growing Number of Broader Problems Requiring Group Action Either by Government or Private Organization.
The Bigger Farm Investments, Cash Operating and Living Expenditures, and Farm Incomes.
The Increasing Farm Production with a Larger Share Going to Market
But These Are Effects

THE CAUSE
of the
GROWING INTERDEPENDENCE OF AGRICULTURE
AND OTHER GROUPS IN THE ECONOMY
Has Been Our Amazing Economic Progress
So Let's Look at Some of the Important Things Which Have Made This Progress Possible
Here Are Some of Them

A. ABUNDANCE OF NATURAL RESOURCES IN RELATION TO POPULATION

B. FREEDOM AND RESPECT OF THE RIGHTS OF THE INDIVIDUAL

C. POLITICAL AND SOCIAL ENVIRONMENT ENCOURAGING INDIVIDUAL INITIATIVE

D. MASS EDUCATION AND APPLIED RESEARCH

E. FACTORS OF PRODUCTION MOVING TOWARD MORE PRODUCTIVE USE

F. A MORE SPECIALIZED AND EFFICIENT DISTRIBUTION SYSTEM

G. MONETARY AND FISCAL SYSTEM WHICH HAS SUPPORTED ECONOMIC PROGRESS

Let's Look a Little Closer at Each One

A. An Abundance of Natural Resources in Relation to Population

NATURAL RESOURCES

(Land)

Is One of the Four Factors Which Produce All Wealth

but

AN ABUNDANCE OF NATURAL RESOURCES ALONE

DOES NOT ASSURE ECONOMIC PROGRESS

What Counts Is

HOW WELL IT HAS BEEN COMBINED

WITH THE OTHER THREE FACTORS OF PRODUCTION:

1. Labor
2. Capital
3. Management
IN THE UNITED STATES

The Record Is Clear

We Have Combined Our Resources with Other Factors
to Out- Produce Any Other Country

Here's the Share
We Have
(Percent of World)

<table>
<thead>
<tr>
<th></th>
<th>Population</th>
<th>Land</th>
<th>Total Production</th>
<th>Electricity</th>
<th>Person per Auto</th>
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<tbody>
<tr>
<td>U. S.</td>
<td>7</td>
<td>6</td>
<td>32</td>
<td>46</td>
<td>4</td>
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<tr>
<td>Russia</td>
<td>9</td>
<td>14</td>
<td>18.5</td>
<td>5</td>
<td>252</td>
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<td>0.2</td>
<td>9.2</td>
<td>6</td>
<td>22</td>
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<tr>
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<td>2</td>
<td>0.3</td>
<td>4.5</td>
<td>2</td>
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</tbody>
</table>

B. Freedom and Respect of the Rights of the Individual

Equality Among Individuals

and

Supremacy of the Individual over the State

Have Been the

Cornerstones of American Democracy

We believe these have made for a happier, fairer, more productive, and better governed people.
"Freedom and Respect of the Rights of the Individual"

Has Meant

The right to think, say, write and listen to what you want to.

The right to a free public education through high school, and access to advanced training in the institution of your choice.

The right to go into business or a profession for yourself, to work for another person, to accept either public or private employment.

The right to worship as you wish, to choose your friends, and to decide the use of your leisure.

The right to participate in the running of government by belonging to a political party, voting, serving on boards, holding government representatives accountable for their actions.

The right to organize groups and to work through them for the peaceful attainment of economic, social, or political objectives.

The protection of these personal rights by civil police, army, independent courts, and jury trial.

* * * *

Our Right to Do What We Believe Is Right

Has Given Us Confidence and Faith in What We Do
C. Political and Social Environment Encouraging Individual Initiative

THIS HAS BEEN IMPORTANT TO ECONOMIC PROGRESS
Because
We Believe Each Individual Knows More About His Ability and His Problems Than Any Other Person or Group of Persons and too
Modern Man Is More Curious About His Environment
Furthermore
He Desires to Progress as an Individual and He Believes Further Progress Is Possible

* * * * * * *
An Environment Therefore
Which Provides Man with Freedom to Inquire, Aids Him in His Inquiry and Allows Him to Retain the Fruits of His Inquiry
Results in Greater Scientific Progress and Scientific Progress Has Been the Backbone of Economic (Material) Progress
No Accident Then That
90 Percent of All Inventions and Innovations Bettering Living Conditions Have Come from Western Europe and the U.S.A.
OUR GOVERNMENT HAS PLAYED AN IMPORTANT ROLE, TOO

Responsible to the People

It Has Set up the Rules of the Game

Providing Largely for

THE PRODUCTION AND DISTRIBUTION OF WEALTH

Through Private Property

and

by Individuals, by Groups and Associations, and by Private Enterprise

However, the Government Has Taken Positive Action

to Try to Insure Competition, to Prevent Unfair Practices,

and to Protect from Exploitation

D. Mass Education and Applied Research

EDUCATION HAS BEEN A CLOSE ALLY OF FREE MAN

in the Development of His Skills and Knowledge

and No Educational System

Has Been More Comprehensive Than That of the U.S.A.

Some of Its Characteristics

Educational Opportunities Have Been Open to All

Emphasis Has Been upon Improving Methods of Production and the Welfare of the Individual

Special Attention In This Has Been Given to Vocational and Technical Education

Strong Encouragement Has Been Given to Scientific Research Programs

One Evidence of Success

The Majority of the Patents Now Result from Planned Research Programs Rather Than from Individuals Finding New Things Accidentally.
E. Factors of Production Moving Toward More Productive Use

A Reminder That

LAND, LABOR, CAPITAL, and MANAGEMENT

Are the Factors of Production Producing the Wealth of a Country

So Our Goal

Has Been to Combine These Factors of Production in Such a Way as to Give the Most Efficient Production

In Fact

The Economic Development of This Country

Has Been Characterized by Improvements in All Factors of Production but Particularly the Substitution of Capital for Other Factors

These Trends Are Evident in All Walks of Life
F. A More Specialized and Efficient Distribution System

CONTINUOUS IMPROVEMENT IN TRANSPORTATION AND COMMUNICATION HAS BEEN A PARTNER IN SECURING MORE SPECIALIZATION AND EXCHANGE in AGRICULTURE, MANUFACTURING, AND TRADE

New Frontiers Have Been Opened up
New and Extended Market Outlets Have Been Secured
Opportunities for Increased Productivity Have Been Known Sooner
Both Horizontal and Vertical Integration Have Taken Place
Spectacular Gains in Production Efficiency Have Not Been Equalled in Distribution, but Important Gains Made.

FROM 1870 TO 1930

Number of workers producing goods increased by 171 percent and Number of workers distributing goods increased by 777 percent, The total volume of goods produced and distributed increased by 800 percent.

G. Monetary and Fiscal System Which Has Supported Economic Progress

OUR MONETARY AND FISCAL SYSTEM

Has Made Business Expansion Possible
Has Provided a Relatively Stable Medium of Exchange
Has Provided a Means to Meet the Desires of People to Save
Has Enabled Us to Finance a Strong Government
Has Helped to Prevent Undue Concentration of Economic Power
Has Helped to Facilitate Specialization and Exchange
Has Provided a Tax Program Reaching Practically Every Individual and Type of Private Property.