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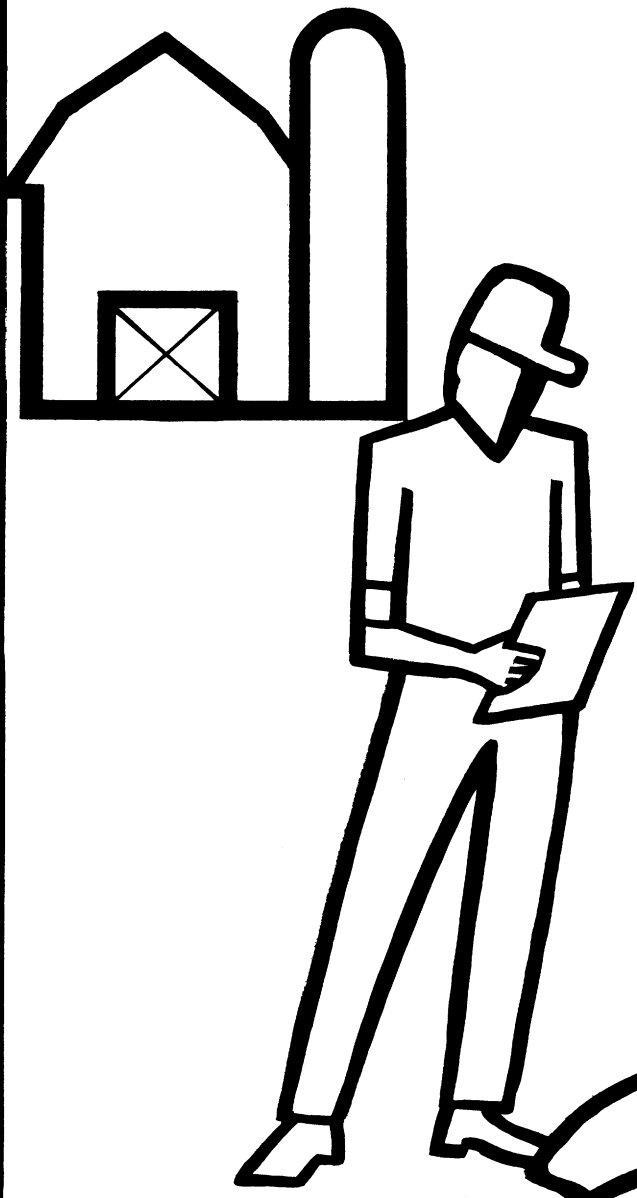
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AGRICULTURE INFORMATION BULLETIN NO. 411

# BALANCE SHEET of the FARMING SECTOR 1977

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## ABSTRACT

On January 1, 1977, the value of farm assets totaled \$670.9 billion. After deducting \$102.1 billion in debts, proprietors' equity in those assets equalled \$568.8 billion. At the beginning of 1976 the asset, equity, and debt values were \$592.8 billion, \$502.0 billion, and \$90.8 billion, respectively. Farm real estate accounted for the bulk of the asset value gain, as usual, but other assets also posted a net gain of \$15.0 billion. Farm debt rose 12.5 percent in 1976, somewhat faster than in the previous year while equity increased 13.3 percent, about the same as in 1975. On January 1, 1977, the debt to asset ratio was 15.2 percent, equalling that of 1974 and until then, the lowest since 1965. Capital gains on the major production assets (land, machinery, livestock, and stored crops), totaled \$441.8 billion from 1960 to 1976, with land accounting for 87 percent of the total. Farm capital accumulation rose \$13.0 billion to total \$148.1 billion since 1960. Farm production assets, those items most closely associated with producing farm products, totaled \$564.1 billion on January 1, 1977. The average value per farm was \$204,960. Those values were about 14 percent higher than a year earlier. The rate of return to farm proprietors's equity in those assets for 1976 was 2.4 percent, compared with 4.4 percent in 1975, 5.5 percent in 1974, and 10.2 percent in 1973.

**KEYWORDS:** Farm balance sheet, farm assets, debt and equity, capital gains.

## FOREWORD

*The Balance Sheet of the Farming Sector* assembles into one financial statement the major farm asset inventory and liability accounts. This is the 36th issue in the series (formerly called *The Balance Sheet of Agriculture*). Comparable annual estimates are available beginning with 1940.

The balance sheet depicts only farming assets, debts, and equities of farm operators and landlords. Lack of sufficient data prevents separation of debts or assets by owner-operator, tenant, and landlord, or separate estimates for farms with debt and those that are debt free.

Farmland and building values are from annual surveys reporting market values as of March 1 for the years 1940-75 and February 1 for 1976-77. However, since these values have been consistently used in the balance sheet in lieu of the January 1 value of farm real estate, the trend is not affected.

Prior to 1977, farm real estate values were based on the number of farms and acres of land in farms as reported by the Agricultural Census times the Economic Research Service (ERS) land value estimates. Land value estimates between census years were made using acreage estimates reported by the Statistical Reporting Service (SRS) and ERS per acre values. In 1977, ERS began estimating total value of farm land using SRS data entirely and has revised the total farm real estate values beginning with 1950, the first year of SRS land acreage estimates. The change to the SRS data base is explained in the section on farm real estate values.

Except for farm loans outstanding and reported by institutional lenders, items in the balance sheet are estimates. Some relatively minor items are not included because of lack of adequate data. Further details on estimating procedures used in the balance sheet are published in *Major Statistical Series of the U.S. Department of Agriculture: How They are Constructed and Used*, Agriculture Handbook 365.

Data are for 48 States through 1959; beginning with 1960 data for Alaska and Hawaii are included.

Within the last several years, data have become available which permit farm asset and debt estimates to be disaggregated by value of sales class. Recently, this data series, as well as the farm capital finance account and capital gains on certain farm assets, all beginning with 1960, were added to the Balance Sheet of the Farming Sector as regular features.

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# BALANCE SHEET OF THE FARMING SECTOR, 1977

by Carson D. Evans, Philip T. Allen, Richard W. Simunek, Larry Walker, and J. Bruce Hottel

## THE 1977 BALANCE SHEET IN GENERAL

Farm assets on January 1, 1977, had a total value of \$670.9 billion, a 13 percent or \$78.1 billion rise from January 1, 1976 (table 1, and fig. 1). This growth has been exceeded only by the \$88.0 billion increase between January 1973 and January 1974.

Total farm debt outstanding at the beginning of 1977 was \$102.1 billion. The dollar gain of \$11.3 billion and the percentage gain of 12.5 from a year earlier somewhat exceeded the gain in 1975.

Equity that proprietors owned in their farm assets totaled \$568.8 billion on January 1, a 13.3 percent increase from a year earlier as their assets gained in value more rapidly than debt against those assets.

As usual, the dominating factor in the gain in farm asset value was farm real estate which accounted for 87 percent of the total asset value increase during 1976. Machinery and motor vehicle value, the second largest asset category, gained a substantial \$7.3 billion. The

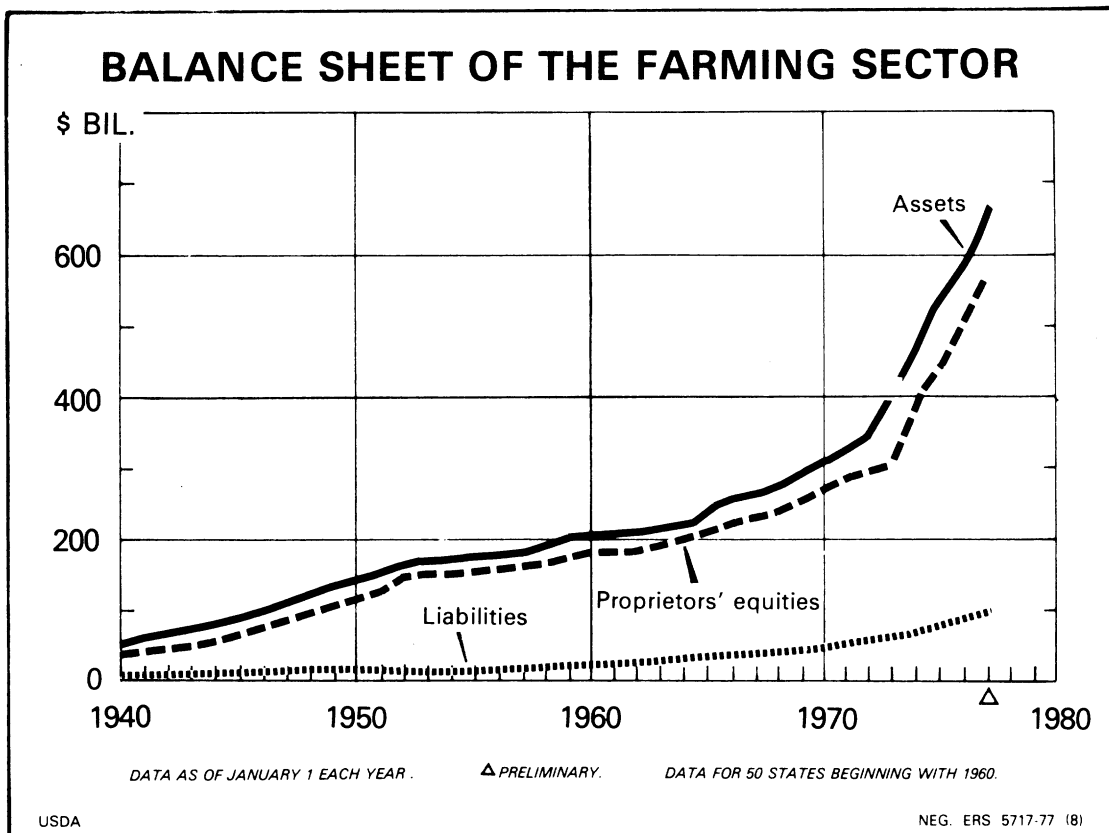


Figure 1

Table 1—Balance sheet of the farming sector, January 1, selected years, 1940-77<sup>1</sup>

Item	1940	1950	1960	1970	1975	1976	1977 <sup>2</sup>	Change	
								1976 to 1977	1976 to 1977
	<i>Million dollars</i>							<i>Percent</i>	
<b>ASSETS</b>									
<b>Physical assets:</b>									
Real estate .....	33,636	77,600	137,161	215,893	378,666	429,058	497,180	68,122	15.9
<b>Nonreal estate:</b>									
Livestock and poultry <sup>3</sup> .....	5,133	12,894	15,248	23,480	24,570	29,513	29,078	-435	-1.5
Machinery and motor vehicles ..	3,060	12,166	22,745	32,299	55,742	65,034	72,322	7,288	11.2
Crops stored on and off farms <sup>4</sup> .....	2,666	7,591	7,737	10,921	23,274	21,305	21,862	557	2.6
Household equipment and furnishings .....	4,213	8,610	9,587	9,732	15,312	16,230	17,375	1,145	7.0
<b>Financial assets:</b>									
Deposits and currency .....	3,239	9,077	9,168	11,891	15,060	15,620	15,970	350	2.2
U.S. savings bonds .....	249	4,720	4,663	3,740	4,331	4,412	4,365	-47	-6.1
Investments in cooperatives .....	829	2,055	4,242	7,201	10,513	11,676	12,788	1,112	9.5
<b>Total<sup>5</sup> .....</b>	<b>53,025</b>	<b>134,713</b>	<b>210,551</b>	<b>315,157</b>	<b>527,468</b>	<b>592,848</b>	<b>670,940</b>	<b>78,092</b>	<b>13.2</b>
<b>CLAIMS</b>									
<b>Liabilities:</b>									
Real estate debt .....	6,586	5,579	12,082	29,183	46,288	51,069	56,427	5,338	10.5
<b>Nonreal estate debt to:</b>									
CCC <sup>6</sup> .....	445	1,721	1,165	2,676	319	358	1,012	654	182.7
Other reporting institutions <sup>7</sup> ..	1,504	2,834	6,668	15,828	29,176	33,056	37,761	4,705	14.2
Nonreporting creditors <sup>8</sup> .....	1,500	2,320	4,860	5,340	6,050	6,350	6,950	600	9.4
<b>Total liabilities<sup>5</sup> .....</b>	<b>10,035</b>	<b>12,454</b>	<b>24,775</b>	<b>53,027</b>	<b>81,833</b>	<b>90,833</b>	<b>102,150</b>	<b>11,317</b>	<b>12.5</b>
Proprietors' equities .....	42,990	122,259	185,776	262,130	445,635	502,015	568,790	66,775	13.3
<b>Total<sup>5</sup> .....</b>	<b>53,025</b>	<b>134,713</b>	<b>210,551</b>	<b>315,157</b>	<b>527,468</b>	<b>592,848</b>	<b>670,940</b>	<b>78,092</b>	<b>13.2</b>
	<i>Percent</i>								
Debt to asset ratio <sup>9</sup> .....	18.9	9.2	11.8	16.8	15.5	15.3	15.2	---	---

<sup>1</sup> Revised beginning with 1950. Includes Alaska and Hawaii beginning with 1960. <sup>2</sup> Preliminary. <sup>3</sup> Beginning with 1961, horses and mules are excluded. <sup>4</sup> Includes all crops held on farms and crops held off farms by farmers as security for CCC loans. On Jan. 1, 1977, the latter totaled \$397 million. <sup>5</sup> Totals of rounded data. <sup>6</sup> Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet. <sup>7</sup> Loans of all operating banks, production credit associations, the Farmers Home Administration, and discounts of the Federal Intermediate credit banks for agricultural credit corporations and livestock loan companies. <sup>8</sup> Loans and credit extended by dealers, merchants, finance companies, individuals, and others. <sup>9</sup> Computed from unrounded data.

value of livestock on farms, however, slipped slightly. The value of household items rose \$1.1 billion but the value of farmer-owned stored crops on hand was up only slightly. Financial assets gained by \$1.4 billion, compared with a \$1.8 billion gain during 1975.

Farm real estate debt of \$56.4 billion was 55 percent of total farm debt, about the usual proportion for the last several years (table 2). Commodity Credit Corporation (CCC) loans jumped sharply as producers took advantage of that service.

The trends in the value of assets and equity and the amount of debt outstanding when averaged per farm are similar to the trends for the totals (table 3). The values per farm naturally climb a little more rapidly, however, because of the continuing decrease in the number of farms.

### Balance Sheet Components

Farm real estate values increased \$68.1 billion, exceeding the previous record increase of \$64.4 billion in 1973. The rise in 1976 was almost as much as the total \$72.0 billion increase in farm real estate value experienced during the entire decade of the 1960's. The 15.9-percent rise during 1976 compared with a 13.3-percent increase from January 1975 to January 1976.

The value of *livestock and poultry* on farms was \$29.1 billion, down slightly (1.5 percent) from a year earlier. The value of cattle and calves was slightly higher as the value per head more than offset smaller numbers. However, a sharply lower price for hogs and pigs failed to offset the larger number on farms, and total value

Table 2—Balance sheet components as shares of total assets and liabilities, selected years, 1940-77<sup>1</sup>

Item	1940	1950	1960	1970	1975	1977 <sup>2</sup>
	<i>Percent</i>					
<b>ASSETS</b>						
Physical assets:						
Real estate . . . . .	63.5	56.9	65.1	68.5	71.8	74.1
Nonreal estate:						
Livestock and poultry . . . . .	9.7	9.7	7.2	7.4	4.7	4.3
Machinery and motor vehicles . . . . .	5.9	9.2	10.8	10.2	10.6	10.8
Crops stored on and off farms <sup>3</sup> . . . . .	5.1	5.7	3.7	3.5	4.4	3.3
Household equipment and furnishings . . . . .	7.9	6.5	4.6	3.1	2.9	2.6
Financial assets:						
Deposits and currency . . . . .	6.0	6.9	4.4	3.8	2.9	2.4
U.S. savings bonds . . . . .	.4	3.6	2.2	1.2	.8	.6
Investments in cooperatives . . . . .	1.5	1.5	2.0	2.3	2.0	1.9
Total . . . . .	100.0	100.0	100.0	100.0	100.0	100.0
<b>LIABILITIES</b>						
Real estate debt . . . . .	66.0	45.2	48.8	55.0	56.6	55.2
Non-real estate debt:						
Excluding CCC loans . . . . .	30.0	41.1	46.8	40.0	43.0	43.8
CCC loans <sup>4</sup> . . . . .	4.0	13.7	4.4	5.0	.4	1.0
Total . . . . .	100.0	100.0	100.0	100.0	100.0	100.0

<sup>1</sup> Data for 50 States beginning with 1960. <sup>2</sup> Preliminary. <sup>3</sup> All crops held on farms including crops under loan to CCC, and crops held off farms as security for CCC loans. <sup>4</sup> Nonrecourse

CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.

dropped enough to more than cancel the higher cattle value. Sheep, lambs, chickens, and turkeys account for a relatively minor part of the value of all livestock and their values were close to 1976 levels.

*Farm machinery and motor vehicle* value was \$72.3 billion, 11.2 percent higher than at the beginning of 1976. Almost two-fifths of the increase was accounted for by machinery other than autos, trucks, and tractors. The number of units on farms continued to decline but the higher per unit value more than offset the smaller numbers.

The *value of farmer-owned stored crops* increased a modest \$0.6 billion from January 1976 with hay and soybeans accounting for practically all the gain. The value of stored corn was virtually unchanged from a year earlier, but the values for other feed grains and for wheat were down 13 percent and 8 percent, respectively. Considerably larger stocks of corn, grain sorghum, and wheat did not fully compensate for the sharply lower prices for those crops. Crops stored under CCC loans increased dramatically during 1976. At the beginning of 1977, seven times as much wheat and almost twice as much corn were stored under CCC loans as there were a year earlier.

The *value of equipment and furnishings in households* was \$17.4 billion, about 7 percent above January 1976. The rate of increase accelerated slightly during 1976 reflecting the higher value per unit of equipment which more than offset the small drop in number of farm households. The average value per farm at the beginning of 1977 was \$6,314 compared with \$5,825 a year earlier.

Farmers' *financial assets* totaled an estimated \$33.1 billion. The 4.5-percent rise from January 1976 was slightly less than that from 1975 to 1976 and may reflect the lower total net farm income received in 1976. Practically all the \$1.4 billion gain in 1976 was accounted for by the increase in net worth of farmer cooperatives. However, those assets are usually quite illiquid. The net increase of farmers' bank deposits, currency, and U.S. savings bonds was about \$0.3 billion.

*Farm real estate debt* increased at about the same rate in 1976 (10.5 percent) as it did in 1975 and stood at \$56.4 billion on January 1, 1977. However, commercial banks, life insurance companies, and Farmers Home Administration increased their farm lending during 1976 compared with 1975, but Federal land banks slowed their lending. The Federal land banks, however, still held over half the farm loans held by institutional lenders. Loans from sellers of land and other individuals also increased more during 1976 than during 1975.

*Farm nonreal estate loans*, including CCC loans, increased at a faster rate in 1976 than in 1975 and on January 1, 1977, totaled \$45.7 billion. All loan sources increased their lending during 1976. Although CCC loans comprised only about 2 percent of farm nonreal estate loans outstanding, they were nearly three times larger at the beginning of 1977 than a year earlier. The low prices for wheat, corn, and grain sorghum probably prompted growers to store under CCC loans and wait for possibly higher prices later in 1977.

*Equity* that farm proprietors held in their farm assets climbed \$66.8 billion between January 1976 and



**Table 3—Balance sheet of the farming sector: Average per farm, current prices, January 1, selected years 1940-1977<sup>1</sup>**

Item	1940	1945	1950	1955	1960	1965	1970	1975	1977
<i>Dollars</i>									
<b>ASSETS</b>									
Physical assets:									
Real estate . . . . .	5,297	9,030	13,739	21,963	34,610	49,911	73,085	134,853	180,661
Nonreal estate:									
Livestock and poultry . . . . .	808	1,510	2,283	2,409	3,848	4,319	7,949	8,750	10,566
Machinery and motor vehicles . . . . .	482	1,085	2,154	3,995	5,739	7,398	10,934	19,851	26,280
Crops stored on and off farms <sup>2</sup> . . . . .	420	1,120	1,344	2,073	1,952	2,743	3,697	8,287	7,944
Household equipment and furnishings . . . . .	663	936	1,524	2,147	2,419	2,575	3,334	5,453	6,314
Financial assets:									
Deposits and currency . . . . .	510	1,325	1,607	2,025	2,313	2,854	4,025	5,363	5,803
U.S. savings bonds . . . . .	39	566	836	1,068	1,177	1,253	1,266	1,542	1,586
Investment in cooperatives . . . . .	131	204	364	668	1,071	1,668	2,438	3,744	4,647
<b>Total . . . . .</b>	<b>8,350</b>	<b>15,776</b>	<b>23,851</b>	<b>36,348</b>	<b>53,129</b>	<b>72,721</b>	<b>106,728</b>	<b>187,845</b>	<b>243,801</b>
<b>CLAIMS</b>									
Liabilities:									
Real estate debt . . . . .	1,037	828	988	1,772	3,049	5,530	9,879	16,484	20,504
Nonreal estate debt:									
Excluding CCC loans . . . . .	473	456	912	1,546	2,909	4,877	7,166	12,545	16,247
CCC loans <sup>3</sup> . . . . .	70	114	305	477	294	460	906	114	368
<b>Total liabilities . . . . .</b>	<b>1,580</b>	<b>1,398</b>	<b>2,205</b>	<b>3,795</b>	<b>6,252</b>	<b>10,967</b>	<b>17,951</b>	<b>29,143</b>	<b>37,119</b>
Proprietors' equities . . . . .	6,770	14,378	21,646	32,553	46,877	61,754	88,777	158,702	206,682
<b>Total . . . . .</b>	<b>8,350</b>	<b>15,776</b>	<b>23,851</b>	<b>36,348</b>	<b>53,129</b>	<b>72,721</b>	<b>106,728</b>	<b>187,845</b>	<b>243,801</b>
<i>Percent</i>									
Debt-to-asset ratio . . . . .	18.9	8.9	9.2	10.4	11.8	15.1	16.8	15.5	15.2

<sup>1</sup>Total values divided by total number of farms. Data for 50 States beginning with 1960. <sup>2</sup>All crops held on farms including crops under loan to CCC, and crops held off farms as security for CCC loans. <sup>3</sup>Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.

January 1977. The \$568.8 billion total was almost double that of 5 years earlier. Over three-fourths of the equity was in farm real estate.

### Farm Assets in 1967 Prices

On January 1, 1977, farm assets valued in 1967 prices totaled \$288.1 billion, a decrease of \$1.0 billion from January 1, 1976 (tables 4 and 5). The drop in value was spread fairly evenly among the asset items. Only one, investments in cooperatives, increased enough in current dollars to more than offset the forces of inflation.

Farm real estate valued in 1967 prices showed a \$0.1 billion decrease for the second consecutive year as increased productivity of the land and capital expenditures for improvements failed to overcome the 2.8 million acreage decrease and the depreciation of buildings and other structures (fig. 2). Most of the relatively large \$1.0 billion drop in 1967 price value of physical assets other than farm real estate reflected the smaller

number of cattle and calves on farms. Although stocks of feed and food grains, particularly corn and wheat, improved somewhat, with corresponding gains in value in terms of 1967 prices, smaller stocks of hay and soybeans caused a slight drop in total value of stored crops. The value of machinery and motor vehicles in 1967 dollars showed a similar drop. The \$0.3 billion decrease in currency, bank deposits, and U.S. savings bonds was practically all due to the lower purchasing power of the dollar in January 1977 compared with January 1976.

The increase in the value of farm assets in current prices was \$78.1 billion. But when valued in constant dollars, in this case 1967 dollars, there was a net loss of \$1.0 billion.

The total value of farm assets in 1967 prices was less than half the value in current dollars. In other words, although farm assets have more than doubled in value in current dollars in the past 10 years, all of the net change except a small portion (3.6 percent) was due to higher prices.

Table 4— Value of farm assets in 1967 prices, January 1, 1940-77<sup>1</sup>

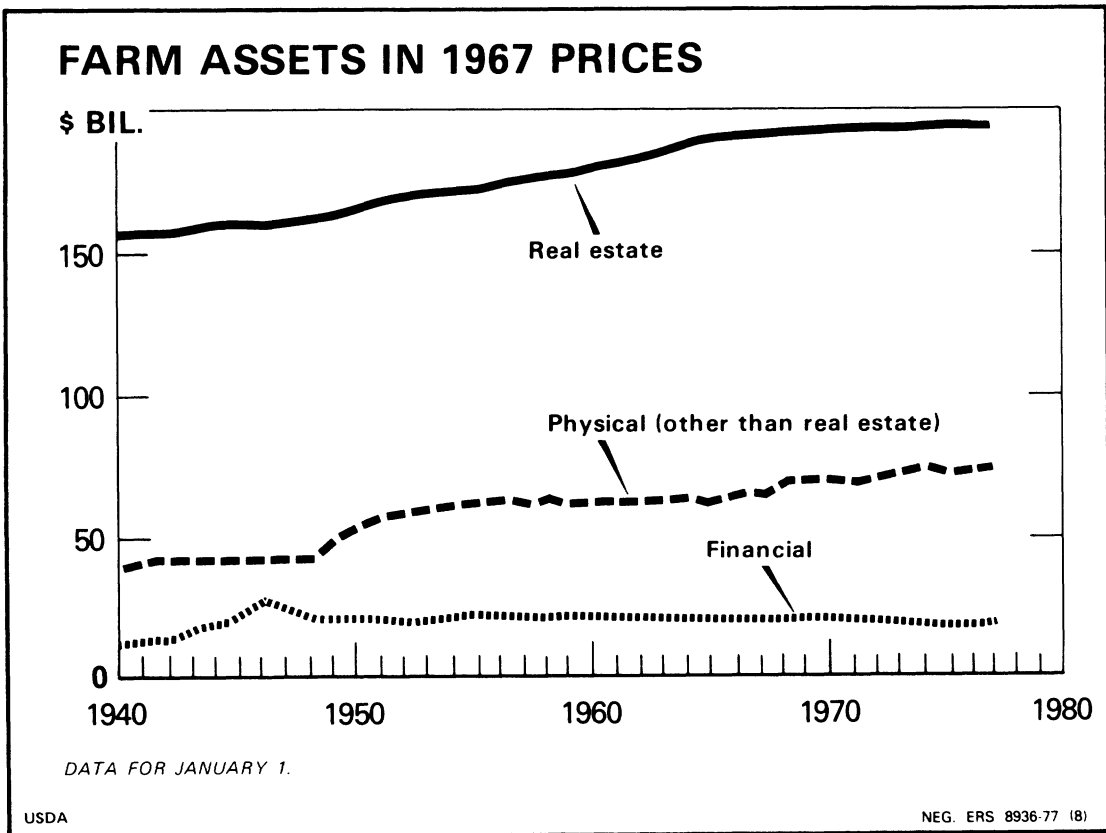
Item	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953
<i>Billion dollars</i>														
<b>ASSETS</b>														
Physical assets:														
Real estate .....	156.3	157.0	157.7	158.4	159.2	159.9	159.5	161.1	162.7	164.7	171.6	173.7	175.2	177.1
Nonreal estate:														
Livestock <sup>2</sup> .....	14.9	15.2	16.1	17.4	18.2	17.2	16.6	16.0	15.2	15.1	15.3	16.0	16.8	17.3
Machinery and motor vehicles .....	9.1	9.4	10.7	10.2	9.4	9.5	10.1	11.0	13.5	16.6	19.7	22.2	24.2	24.8
Crops stored on and off farms <sup>3</sup> ..	6.4	7.2	7.0	8.1	7.7	8.1	7.5	7.5	6.4	8.5	8.2	7.8	7.5	7.9
Household equipment and furnishings .....	8.4	8.5	8.6	8.0	7.6	7.5	7.6	8.2	8.5	9.0	9.1	9.4	9.6	9.3
Financial assets:														
Deposits and currency .....	9.0	9.4	10.0	11.6	12.6	14.4	16.5	15.4	12.9	12.8	12.4	11.3	11.2	11.5
U.S. savings bonds .....	.7	.9	1.2	2.4	4.2	6.1	7.3	6.4	5.7	6.1	6.5	5.9	5.6	5.7
Investments in cooperatives .....	2.3	2.4	2.2	2.2	2.1	2.2	2.4	2.3	2.2	2.5	2.8	2.8	2.9	3.3
Total .....	207.1	210.0	213.5	218.3	221.0	224.9	227.5	227.9	227.1	235.3	245.6	249.1	253.0	256.9
Item	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
<i>Billion dollars</i>														
Physical assets:														
Real estate .....	178.9	180.6	182.1	183.5	184.8	186.0	186.9	187.0	187.0	187.1	187.5	187.8	188.3	189.1
Nonreal estate:														
Livestock <sup>2</sup> .....	17.3	17.5	17.5	16.9	16.6	17.2	17.7	17.5	17.9	18.5	19.0	18.9	18.8	19.0
Machinery and motor vehicles .....	26.2	26.5	26.7	26.1	25.6	25.7	26.3	25.8	25.4	25.4	25.6	26.0	26.6	27.4
Crops stored on and off farms <sup>3</sup> ..	8.8	9.1	9.0	8.7	9.6	11.1	9.7	10.3	10.7	10.9	11.1	9.5	10.9	10.0
Household equipment and furnishings .....	9.3	9.7	10.1	9.7	9.6	9.5	9.3	8.8	9.1	9.0	9.0	8.7	8.7	8.5
Financial assets:														
Deposits and currency .....	11.6	11.6	11.8	11.3	11.2	11.5	10.4	9.9	9.9	10.1	10.0	10.3	10.3	10.3
U.S. savings bonds .....	5.8	6.1	6.5	6.1	6.0	6.0	5.3	5.3	5.0	4.8	4.6	4.5	4.2	3.9
Investments in cooperatives .....	3.5	3.7	4.0	4.2	4.3	4.5	4.8	5.1	5.4	5.6	5.8	6.0	6.1	6.2
Total .....	261.4	264.8	267.7	266.5	267.7	271.5	270.4	269.7	270.4	271.4	272.6	271.7	273.9	274.4
Item	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977				
<i>Billion dollars</i>														
Physical assets:														
Real estate .....	189.4	189.8	191.0	192.3	193.7	195.2	197.2	198.7	198.6	198.5				
Nonreal estate:														
Livestock <sup>2</sup> .....	19.1	19.3	19.6	20.2	20.5	20.9	21.8	22.2	21.4	20.8				
Machinery and motor vehicles .....	28.5	28.6	28.7	28.8	28.6	28.9	30.3	30.9	31.0	30.9				
Crops stored on and off farms <sup>3</sup> ..	11.4	12.7	12.7	11.1	13.0	12.1	12.0	9.6	11.5	11.4				
Household equipment and furnishings .....	8.8	9.1	8.9	9.0	9.6	9.8	10.3	10.1	9.9	9.7				
Financial assets:														
Deposits and currency .....	10.8	11.0	10.8	10.6	10.9	10.5	9.4	8.6	8.3	8.1				
U.S. savings bonds .....	3.8	3.6	3.4	3.1	3.0	3.0	2.6	2.5	2.3	2.2				
Investments in cooperatives .....	6.4	6.6	6.5	6.5	6.7	6.4	6.0	6.0	6.1	6.5				
Total .....	278.2	280.7	281.6	281.6	286.0	287.4	289.6	288.6	289.1	288.1				

<sup>1</sup> Revised. Data for 50 States beginning with 1960. <sup>2</sup> Beginning with 1961, horses and mules were excluded. <sup>3</sup> Includes all crops held on farms and crops held off farms by farmers as security for CCC loans.

**Table 5—Value of farm assets in current and constant 1967 prices and changes due to higher prices, January 1, 1967, 1976, and 1977**

Item	1967	1976	1977	Change		Percentage distribution of change <sup>1</sup>		
				1967 to 1977	1976 to 1977	1967 to 1977	1976 to 1977	
	<i>Billion dollars</i>				<i>Percent</i>			
<b>Real estate:</b>								
Value in current prices .....	189.1	429.1	497.2	308.1	68.1	100.0	100.0	
Value in 1967 prices .....	189.1	198.6	198.5	9.4	-.1	3.1	.0	
Change due to higher prices .....	.0	230.5	298.7	298.7	68.2	96.9	100.0	
<b>Physical assets other than real estate:</b>								
Value in current prices .....	64.9	132.0	140.6	75.7	8.6	100.0	100.0	
Value in 1967 prices .....	64.9	73.8	72.8	7.9	-1.0	11.7	.0	
Change due to higher prices .....	.0	58.2	67.8	67.8	9.6	88.3	100.0	
<b>Financial assets:</b>								
Value in current prices .....	20.4	31.7	33.1	12.7	1.4	100.0	100.0	
Value in 1967 prices .....	20.4	16.7	16.8	-3.6	.1	.0	7.7	
Change due to higher prices .....	.0	15.0	16.3	16.3	1.3	100.0	92.3	
<b>Total:</b>								
Value in current prices .....	274.4	592.8	670.9	396.5	78.1	100.0	100.0	
Value in 1967 prices .....	274.0	289.1	288.1	13.7	-1.0	3.6	.0	
Change due to higher prices .....	.0	303.7	382.8	382.8	79.1	96.4	100.0	

<sup>1</sup> Computed from unrounded data.



**Figure 2**

# THE 1977 BALANCE SHEET IN DETAIL

## Farm Real Estate

The total value of farm real estate was \$497.2 billion, up \$68.1 billion from last year—an average 16 percent increase. Farmland values per acre increased an average of 17 percent for the year ending February 1, 1977 (fig. 3). Building values, at \$85.2 billion, accounted for 17 percent of the total value. The value of farmland may continue upward during 1977 but the actual amount will depend largely on farm income expectations as influenced particularly by developments in domestic and foreign commodity markets.

At the beginning of 1977, the national average value per acre was \$456, with State averages ranging from \$94 an acre in Nevada to \$2,051 an acre in New Jersey (fig. 4). The average value per operating unit increased 17 percent to \$180,300. Values in the Corn Belt and Lake States increased most rapidly, while the Northeastern, Southeastern, and Southwestern States showed the least increases. Land values have more than doubled since 1972.

Reporters' opinions on seller and buyer behavior indicate that sales may be up slightly during the year ending

February 1, 1978, but scarcity of listings will continue to be an important factor in pushing up land prices. The total number of transfers of farm tracts for the year ending February 1, 1977, was 108,800, up 0.8 percent from the previous year. Nationally, about 4.3 tracts per 100 farms were sold during this period, up slightly from the previous year. This reflects the increase in the number of estate settlements and in the number of transfers falling in the "all other" category (inheritances, gift transfers, tax sales, and miscellaneous). However, on the basis of voluntary and estate sales alone, and excluding tracts of less than 10 acres, the number of transfers actually decreased by 1 percent. Total value transferred through voluntary and estate sales of those tracts increased by 24 percent for the year ending March 1, 1977. This occurred because the average sales price per acre also increased by 24 percent and the 1 percent reduction in the number of transfers in this category was offset by a 1 percent increase in the average size of tract transferred.

Enlargement of some farms accounted for a record high 63 percent of all purchases for the year ending March 1, 1977. Sellers, aware of the farm enlargement

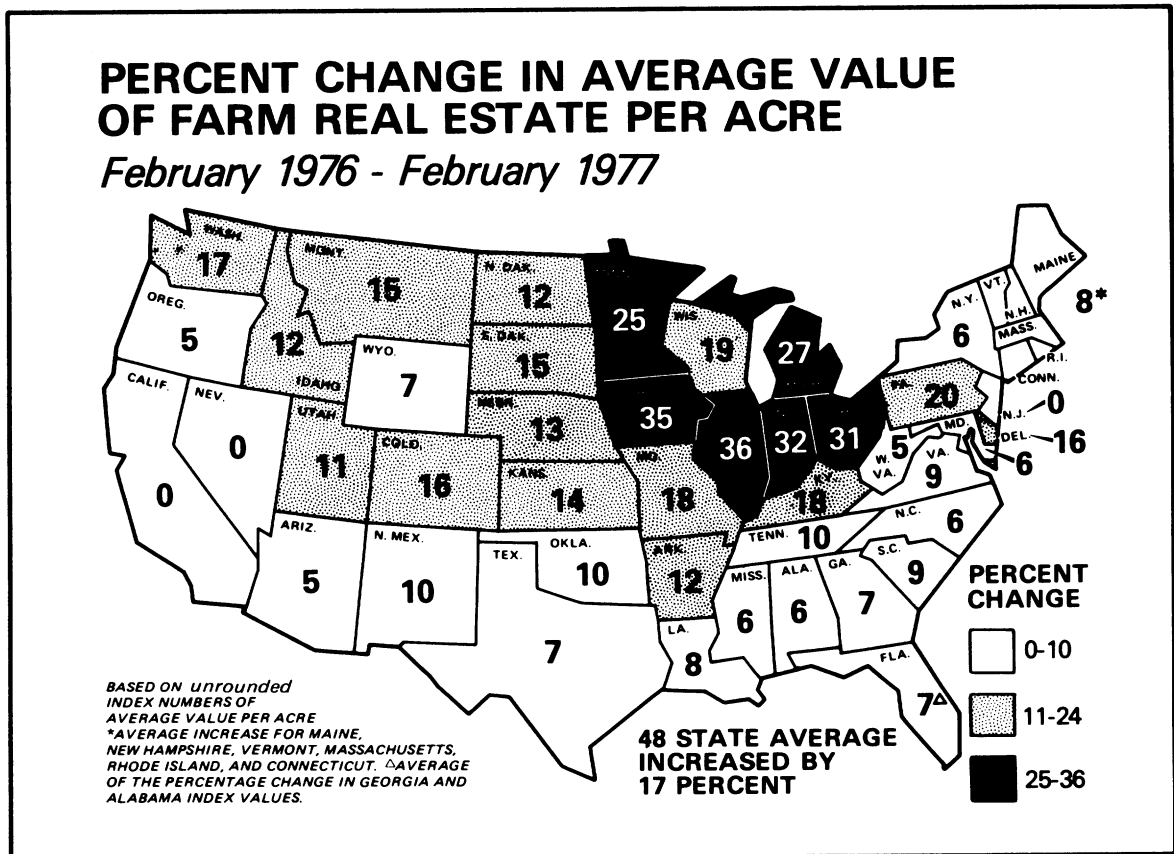


Figure 3

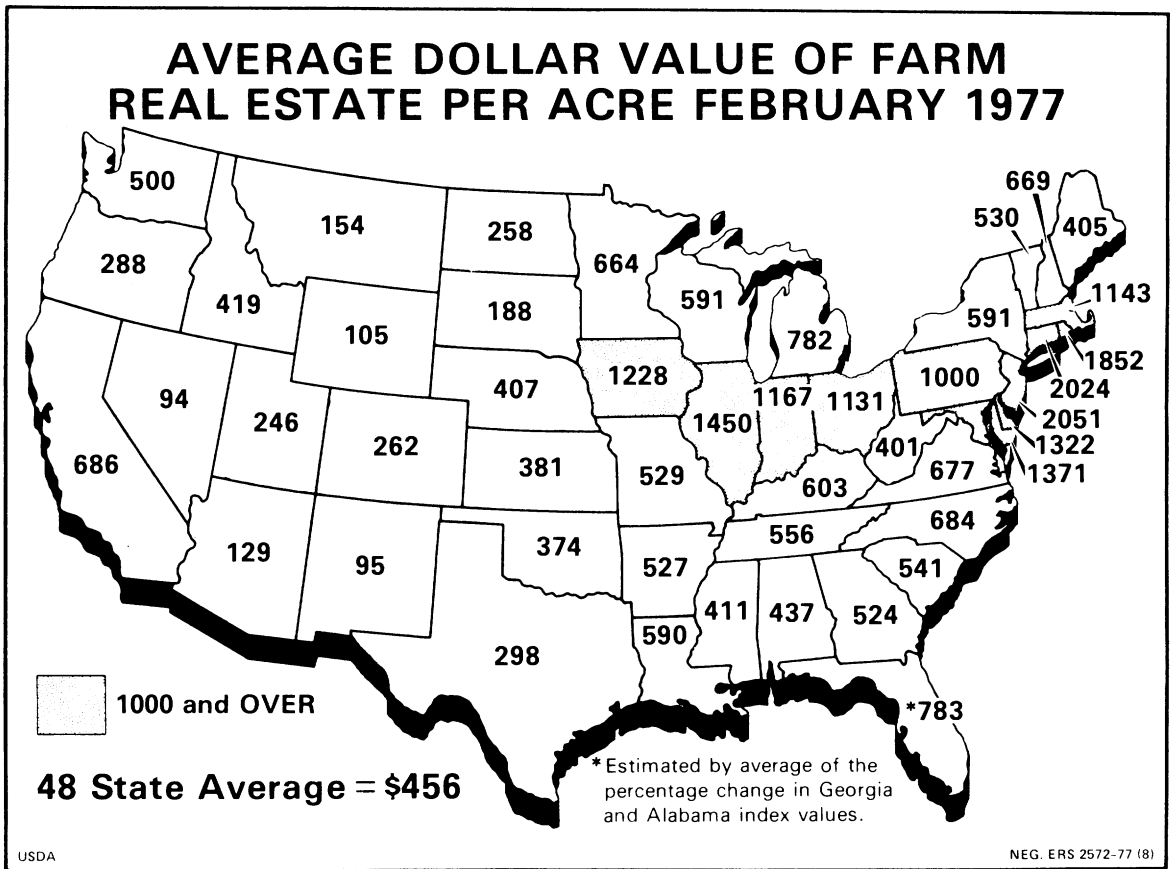


Figure 4

process, are pricing and selling their land accordingly. A record 47 percent of all tracts sold were parts of farms, while 43 percent were complete farm units. The remaining 10 percent were from part-time farms.

Transfers of farmland expected to remain in agricultural use at least 5 years later dropped to a record low of 80 percent, down about 5 percentage points from a year earlier. The proportions of total transfers expected to go into forestry, rural residence, subdivision, and other non-farm uses each increased by 1 percentage point.

Estimates of the total value of farm real estate are now determined by a different method which has the effect of raising the values somewhat. Previously, estimates of the total value of land and buildings, building values, and value per operating unit were constructed by applying adjusted farm census estimates of farm numbers and land in farms to Economic Research Service's per acre land value estimates. The census figures were annually adjusted by applying the percentage changes in farm numbers and land in farms indicated by yearly Statistical Reporting Service (SRS) estimates. This year, 1977, begins a transition to the use of SRS numbers entirely.

SRS estimates differ from those of the farm census largely because of the method of correcting for an underenumeration of smaller farms by the census. SRS estimates resulted in higher total value of land and buildings and for building values, but lowered the average value per operating unit.

The reason for the transition to the SRS estimates is threefold, SRS estimates are provided annually, the enumeration problem is minimized, and consistency is achieved with other related data series.

### Livestock and Poultry

Livestock and poultry on farms were valued at \$29.1 billion down slightly (1.5 percent) from a year earlier but substantially above 2 years previous (table 6). Increases in the value of cattle, sheep and turkeys were not enough to offset decreased values of hogs and chickens. Cattle and hog values accounted for 96 percent of the total value of livestock and poultry on farms, about their usual share.

Cattle and calves on farms numbered fewer than year earlier but higher values per head raised the total value

**Table 6—Livestock and poultry on farms: Number, value per head, and total value, January 1, 1975-77**

Class	1975 <sup>1</sup>			1976 <sup>1</sup>			1977		
	Number	Value per head	Total value	Number	Value per head	Total value	Number	Value per head	Total value
	<i>1,000 head</i>	<i>Dollars</i>	<i>Million dollars</i>	<i>1,000 head</i>	<i>Dollars</i>	<i>Million dollars</i>	<i>1,000 head</i>	<i>Dollars</i>	<i>Million dollars</i>
Cattle and calves .....	131,826	159.00	20,964	127,976	190.00	24,337	122,896	206.00	25,269
Hogs <sup>2</sup> .....	55,062	45.10	2,482	49,602	80.30	3,985	55,085	47.00	2,590
All sheep .....	14,512	30.40	442	13,376	37.20	498	12,710	42.40	539
Chickens <sup>3</sup> .....	382,793	1.71	653	379,240	1.74	660	378,940	1.70	646
Turkeys <sup>4</sup> .....	2,970	9.76	29	3,098	10.79	33	3,037	11.25	34
Total .....	---	---	24,570	---	---	29,513	---	---	29,078

<sup>1</sup> Revised. <sup>2</sup> Beginning with 1970, estimates of hogs and pigs on farms January 1 were discontinued. Hogs and pigs data relate to December 1 of the preceding year. <sup>3</sup> Excludes commercial broilers. <sup>4</sup> All turkey breeder hens on farms December 1 of the

preceding year. Estimates of total turkeys were discontinued in 1971.

Source: Statistical Reporting Service.

(fig. 5). The per head value of hogs showed a dramatic 40 percent drop (fig. 6). The number of hogs on farms increased, but only by 11 percent with the result a 35 percent lower total value.

The number of sheep on farms continued their decline begun in the early 1960's. However, value per head increased from January 1, 1976, and total value rose about 8 percent.

The values of chickens (excluding broilers) and turkeys on farms were little changed. Chicken value went down about 2 percent while turkey value increased 3 percent.

Livestock and poultry value usually accounts for about 28 to 30 percent of the value of farm physical assets other than real estate. The share on January 1, 1977, was 21 percent.

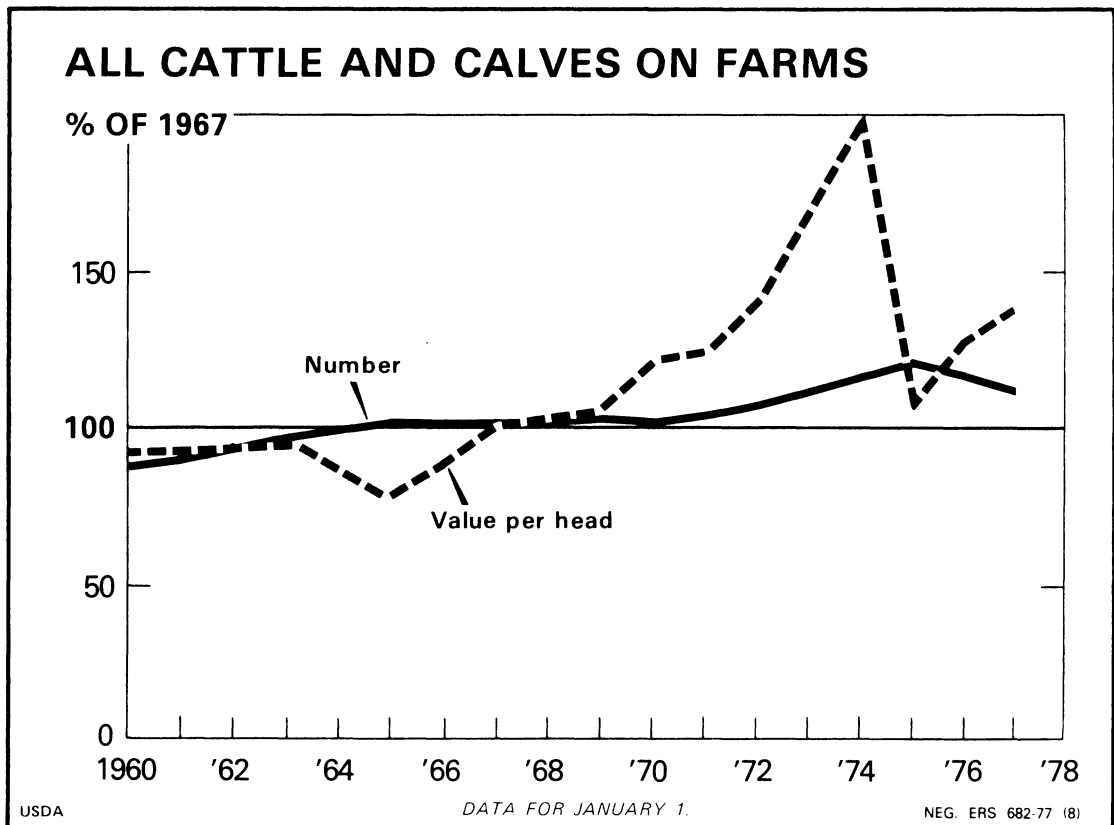


Figure 5

# ALL HOGS AND PIGS ON FARMS

Number and Value Per Head

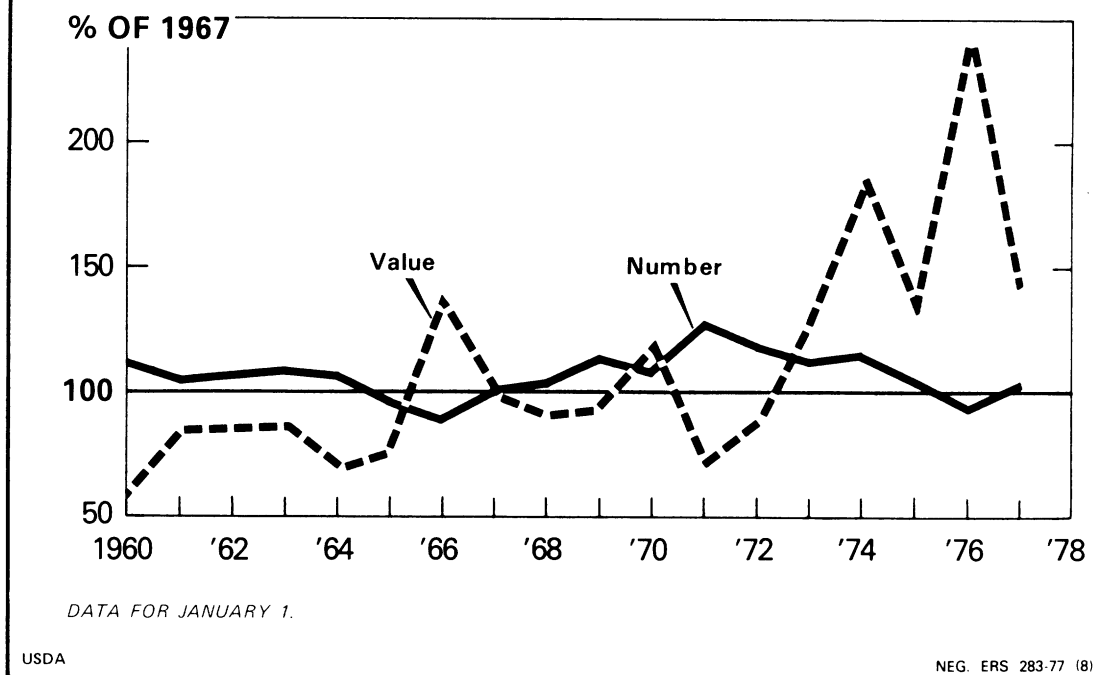


Figure 6

## Machinery and Motor Vehicles

The value of motor vehicles and machinery on farms increased 11 percent during 1976 (table 7). Almost all the gain is attributable to inflation. Farmers' expenditures totaled \$9.6 billion in 1976, while depreciation and accidental damage equaled \$9.5 billion. All classes of machinery on farms except motortrucks declined in number (table 8).

The index of prices paid by farmers (1967=100) for tractors and self-propelled machinery rose 11 percent compared to a 21 percent rise during 1975 and an 18 percent increase in 1974. Drought in some areas and the decline in prices received by farmers were blamed for a drop in unit sales of tractors. Reportedly, 153,000 tractors were sold in 1976 compared with 161,000 in 1975. Sales of self-propelled combines and balers also dropped while sales of cornheads held steady.

## Crop Inventory

The value of farmer-owned crop inventory was \$21.9 billion, a comparatively small 3 percent gain from a year earlier (table 9). Soybeans, hay, and cotton were the main crops with higher inventory values and more than

offset lower values for wheat and feed grains other than corn. Corn inventory value changed very little from January 1, 1976.

Lower prices for larger stocks of corn and wheat kept the inventory value of farmer-owned stored crops from approaching the January 1, 1975 record value of \$23.3 billion. There were smaller inventories of other crops with correspondingly higher prices than at the beginning of 1976.

The quantity of farmer-owned crops stored under CCC loans considerably exceeded that at the beginning

Crop	U.S. average price on December 15			Change 1975 to 1976
	1974	1975	1976	
	<i>Dollars</i>			<i>Percent</i>
Wheat, bu. . . . .	4.65	3.41	2.39	-30
Oats, bu. . . . .	1.70	1.42	1.51	6
Soybeans, bu. . . .	7.03	4.28	6.56	53
Hay, ton . . . . .	50.70	51.60	59.00	14
Cotton (American upland), lb. . . . .	43.80	49.60	63.10	27
Corn, bu. . . . .	3.27	2.37	2.24	-5
Potatoes, cwt. . . .	5.29	3.92	3.06	-22

**Table 7—Value of motor vehicles and specified machines on farms, January 1, selected years, 1940-77<sup>1</sup>**

Year	Automobiles	Motortrucks	Tractors	Other farm machinery	Total
<i>Million dollars</i>					
1940 .....	958	262	503	1,337	3,060
1945 .....	1,144	590	1,557	3,183	6,474
1950 .....	2,313	1,446	2,905	5,502	12,166
1955 .....	4,310	1,898	4,270	8,197	18,675
1960 .....	4,766	2,476	5,423	10,080	22,745
1961 .....	4,198	2,559	5,237	10,211	22,205
1962 .....	4,283	2,667	5,213	10,353	22,516
1963 .....	4,664	2,850	5,414	10,526	23,454
1964 .....	4,642	2,814	5,617	10,862	23,935
1965 .....	4,560	2,982	5,861	11,423	24,826
1966 .....	4,515	2,948	6,310	12,232	26,005
1967 .....	4,163	2,916	7,017	13,347	27,443
1968 .....	4,236	3,106	7,527	14,939	29,808
1969 .....	4,184	3,250	7,939	15,898	31,271
1970 .....	4,303	3,243	7,997	16,756	32,299
1971 .....	4,575	3,639	8,080	18,078	34,372
1972 .....	4,732	3,892	8,635	19,353	36,612
1973 .....	5,097	4,177	9,042	20,966	39,282
1974 <sup>2</sup> .....	4,764	4,547	10,881	24,031	44,223
1975 <sup>2</sup> .....	5,554	5,424	14,709	30,055	55,742
1976 <sup>2</sup> .....	5,808	6,055	17,254	35,917	65,034
1977 <sup>3</sup> .....	6,878	7,461	19,328	38,655	72,322
<i>Percent</i>					
Percent change:					
1976-77 .....	18.4	23.2	12.0	7.6	11.2
1972-77 .....	45.3	91.7	123.8	99.7	97.5

<sup>1</sup> Data for 50 States beginning with 1960. <sup>2</sup> Revised. <sup>3</sup> Preliminary.

**Table 8—Motor vehicles and specified machines on farms, January 1, selected years, 1940-77<sup>1</sup>**

Year	Motortrucks	Tractors <sup>2</sup>	Grain combines <sup>3</sup>	Cornpickers and picker shellers	Pickup balers	Field forage harvesters
<i>Thousand</i>						
1940 .....	1,047	1,567	190	110	---	---
1945 .....	<sup>4</sup> 1,490	<sup>4</sup> 2,354	<sup>4</sup> 375	168	42	20
1950 .....	<sup>4</sup> 2,207	<sup>4</sup> 3,394	<sup>4</sup> 714	<sup>4</sup> 456	<sup>4</sup> 196	81
1955 <sup>4</sup> .....	2,675	4,345	980	688	448	202
1960 .....	<sup>4</sup> 2,834	<sup>4</sup> 4,688	1,042	792	680	291
1965 .....	<sup>4</sup> 3,030	<sup>4</sup> 4,787	910	690	751	316
1966 .....	3,017	4,783	888	686	752	316
1967 .....	3,009	4,786	867	680	748	319
1968 .....	3,016	4,766	847	673	739	321
1969 .....	3,004	4,712	820	657	725	314
1970 .....	<sup>4</sup> 2,984	<sup>4</sup> 4,619	790	<sup>4</sup> 635	<sup>4</sup> 708	304
1971 .....	<sup>5</sup> 3,013	<sup>5</sup> 4,414	760	618	687	300
1972 .....	<sup>5</sup> 3,040	<sup>5</sup> 4,408	725	612	663	298
1973 .....	<sup>5</sup> 3,068	<sup>5</sup> 4,403	701	607	642	292
1974 .....	<sup>5</sup> 3,096	<sup>5</sup> 4,396	698	603	633	295
1975 .....	<sup>5</sup> 3,124	<sup>5</sup> 4,390	678	594	609	286
1976 <sup>5</sup> .....	<sup>5</sup> 3,151	<sup>5</sup> 4,300	655	585	574	280
1977 <sup>6</sup> .....	3,179	4,200	645	579	548	275
<i>Percent</i>						
Change						
1976-77 .....	.9	-2.3	-1.5	-1.0	-4.5	-1.8
1972-77 .....	4.6	-4.7	-11.0	-5.4	-17.3	-7.7

<sup>1</sup> Data for 50 States beginning with 1960. <sup>2</sup> Excludes garden tractors. <sup>3</sup> Includes corn heads for combines. <sup>4</sup> Census of Agriculture. <sup>5</sup> Revised. <sup>6</sup> Preliminary.



**Table 9—Value of farmer-owned crop inventories, January 1, selected years, 1945-77<sup>1</sup>**

Crop	1945	1950	1955	1960	1965	1970	1975	1976	1977 <sup>2</sup>
	<i>Million dollars</i>	<i>Million dollars</i>	<i>Million dollars</i>	<i>Million dollars</i>	<i>Million dollars</i>	<i>Million dollars</i>	<i>Million dollars</i>	<i>Million dollars</i>	<i>Million dollars</i>
Corn .....	2,191	2,736	2,889	2,884	3,168	3,612	8,308	7,532	7,514
Other feed grains <sup>3</sup> .....	711	740	1,082	838	776	885	1,415	1,343	1,167
Total feed grains .....	2,902	3,476	3,971	3,722	3,944	4,497	9,723	8,875	8,681
Wheat .....	729	1,063	1,218	911	635	1,352	2,125	1,917	1,766
Other food grains <sup>4</sup> .....	25	23	71	55	67	134	223	278	199
Total food grains .....	754	1,086	1,289	966	702	1,486	2,348	2,195	1,965
Soybeans .....	87	137	419	419	535	1,158	3,485	2,521	3,096
Other oil crops <sup>5</sup> .....	84	134	100	51	110	70	105	62	54
Total oil crops .....	171	271	519	470	645	1,228	3,590	2,583	3,150
Hay and forage <sup>6</sup> .....	1,805	1,758	2,101	2,062	2,455	2,862	5,530	5,729	6,116
Cotton .....	565	537	1,379	167	906	368	1,204	879	1,001
Vegetables <sup>7</sup> .....	157	191	133	194	358	283	579	662	524
Tobacco .....	270	186	180	103	145	146	229	330	370
Miscellaneous <sup>8</sup> .....	58	85	74	52	49	50	71	52	55
Total all crops .....	6,682	7,590	9,646	7,736	9,204	10,920	23,274	21,305	21,862

<sup>1</sup>All crops stored on farms including crops under loan to the CCC, and farmer-owned crops in off-farm storage under CCC loan. Data for 50 States beginning with 1960. <sup>2</sup>Preliminary. <sup>3</sup>Barley, grain sorghum, and oats. <sup>4</sup>1945-60, buckwheat, rye, and rice; 1965-76, rye and rice. <sup>5</sup>Cottonseed, flaxseed, and

peanuts. <sup>6</sup>All hay, corn silage, corn forage, sorghum silage, and sorghum forage. <sup>7</sup>Cabbage, onions, and potatoes. <sup>8</sup>Broomcorn, dry edible beans, dry field peas, tung oil (prior to 1971), and seeds for hay and pasture crops.

Crop	Farmer-owned stored crops, January 1		Percentage change 1976 to 1977
	1976	1977	
	<i>Millions</i>	<i>Million</i>	<i>Percent</i>
Wheat, bu. ....	559	756	35
Oats, bu. ....	409	348	-15
Soybeans, bu. ....	589	470	-20
Hay, ton .....	87	78	-10
Cotton (American upland), lb. ....	1,745	1,561	-11
Corn, bu. ....	3,179	3,354	5
Potatoes, cwt. ....	157	169	8

of 1976 (table 10). There was almost seven times as much wheat and almost twice as much corn under CCC loans. CCC crop loans to producers totaled \$940 million, nearly 3½ times a year earlier. The larger volume stored under CCC contracts indicated farmers were responding to the 1976 year end lower prices for corn and wheat by holding for possibly higher prices later.

The values in table 9 are for farmer-owned crops stored on farms including those under CCC loan plus farmer-owned crops stored off the farm under CCC loan. Although indications were that the volume of farmer-owned crops stored off the farm but not under CCC loan were substantial, there were little data to verify this until January 1977. At that time, SRS sur-

veyed farmers and others for such information on soybeans and grains. Results of that survey showed that about half the farmer-owned wheat, two-fifths of their soybeans, and one-fourth of their corn stored off the farm was not under CCC loan.

It is not possible to compare the January 1, 1977 volume of crops stored off farms not under CCC loan with those for prior years because data are not available. However, if the value of those stocks for January 1, 1977 are included, the value of farmer-owned crop inventory would be substantially higher (\$6.5 billion or 30 percent) than \$21.9 billion (tables 9 and 11).

The value of crop inventories, as usually measured, comprised about 13 percent of farm physical assets other than real estate, about the usual proportion.

**Table 10—Selected farmer-owned crops stored under CCC loans, January 1, 1975-77**

Crop	Quantity stored under CCC loan on and off-farms, January 1		
	1975	1976	1977
	<i>Thousand bushels</i>		
Corn .....	48,734	110,394	206,256
Wheat .....	20,661	31,522	222,987
Grain sorghum ..	2,140	5,672	15,829
Soybeans .....	19,151	2	3,283

**Table 11—Market value of specified farmer-owned crops stored off farms, January 1, 1977**

Crop	Under CCC loan <sup>1</sup>	Not under CCC loan <sup>1</sup>	Total
<i>Million dollars</i>			
Wheat .....	221	1,827	2,048
Rye .....	2	2	2
Corn .....	83	2,292	2,375
Oats .....	1	34	35
Barley .....	4	54	58
Grain sorghum ..	19	383	402
Soybeans .....	22	1,869	1,891
Total .....	350	6,461	6,811

<sup>1</sup> Volume multiplied times the December 15, 1976, average U.S. price. <sup>2</sup> Less than \$0.5 million.

### Household Equipment and Furnishings

The value of equipment and furnishings in farm households totaled an estimated \$17.4 billion (table 12). The average value per farm was \$6,314. Both were up from the previous year. The increasing trend in value continued despite the steady decline in numbers of households.

Higher prices for new items were probably mainly responsible.

### Financial Assets

Farmers' financial assets totaled an estimated \$33.1 billion on January 1, 1977, after increasing \$1.4 billion or 4.5 percent from January 1, 1976 (table 13). The annual increase over the last 5 years has been about 6.5 percent. The bulk of the increase during 1976 came from increases in the net worth of farmer cooperatives, the more illiquid of their financial assets.

Farmers' time and demand deposits in banks increased. As usual, their time or savings deposits grew faster than demand deposits, \$345 million and \$75 million, respectively. Both currency and holdings of U.S. savings bonds decreased. The \$1.1 billion increase in net worth of farmer cooperatives and associations was slightly lower than the previous year's gain but still represented nearly four-fifths of the rise in farmers' total financial assets.

The smaller gains in farmers' bank deposits and the drop in currency and U.S. savings bonds probably reflected the lower total net income of farmers in 1976 compared with the last several years.

**Table 12—Household equipment and furnishings on farms: Total value and value per farm, January 1, selected years, 1940-77<sup>1</sup>**

Year	Total value	Value per farm
<i>Million dollars</i>		
<i>Dollars</i>		
1940 .....	4,213	660
1945 .....	5,584	940
1950 .....	8,610	1,520
1955 .....	9,992	2,150
1960 .....	9,587	2,420
1965 .....	8,643	2,575
1966 .....	8,610	2,644
1967 .....	8,464	2,677
1968 .....	9,123	2,971
1969 .....	9,679	3,227
1970 .....	9,848	3,334
1971 .....	10,279	3,534
1972 .....	11,198	3,902
1973 .....	12,651	4,448
1974 .....	13,598	4,805
1975 .....	15,312	5,453
1976 .....	16,230	5,825
1977 <sup>2</sup> .....	17,375	6,314

<sup>1</sup> Data for 50 States beginning with 1960. <sup>2</sup> Preliminary.

**Table 13—Selected financial assets owned by U.S. farmers, January 1, selected years, 1940-77<sup>1</sup>**

Year	Liquid financial assets					Net worth of selected farmer cooperatives	Total financial assets
	Currency	Demand deposits <sup>2</sup>	Time deposits	U.S. savings bonds	Total		
<i>Million dollars</i>							
1940 .....	742	1,286	1,211	249	3,488	829	4,317
1945 .....	2,592	3,631	1,683	3,379	13,985	1,219	12,504
1950 .....	2,510	4,465	2,102	4,720	13,797	2,055	15,852
1955 .....	2,235	4,661	2,530	4,969	13,385	3,032	17,427
1960 .....	1,903	4,325	2,940	4,663	13,831	4,242	18,073
1965 .....	1,842	4,004	3,733	4,206	13,785	5,595	19,380
1970 .....	2,010	4,367	5,514	3,740	15,631	7,201	22,852
1971 .....	2,044	4,457	5,933	3,588	16,022	7,618	23,640
1972 .....	2,094	4,557	6,500	3,676	16,827	8,048	24,875
1973 .....	2,184	4,758	7,082	3,991	18,015	8,633	26,648
1974 .....	2,174	4,949	7,754	4,166	19,043	9,514	28,557
1975 .....	2,050	4,890	8,120	4,331	19,391	10,513	29,904
1976 .....	2,000	5,010	8,610	4,412	20,032	11,676	31,708
1977 <sup>3</sup> .....	1,930	5,085	8,955	4,365	20,335	12,788	33,123

<sup>1</sup> Data for 50 States beginning with 1960. <sup>2</sup> Figures for 1940 and 1965-77, estimated by USDA. Demand deposits for other years are estimates of the Board of Governors of the Federal Reserve System. <sup>3</sup> Preliminary.

Cash receipts from livestock and livestock products in 1976 were nearly 10 percent higher than in 1975, and cattle prices at the beginning of 1977 were somewhat higher. But expenses were also higher.

Crop sales were also higher in 1976 than in 1975 but, again, production expenses are also higher. The depressed prices for wheat, corn, and soybeans in late 1976 probably caused many producers to store those crops with the hope of higher prices. That holding action considerably reduced many farmer's cash positions which showed up as slower than usual gains in their bank deposits and actual declines in currency and ownership of U.S. savings bonds.

The net worth of farmer cooperatives and associations stood at \$12.8 billion. Farmer marketing and purchasing cooperatives accounted for about \$4.8 billion or 37 percent of the total net worth and represented, by far, the largest portion of the total. Rural electric cooperatives with a net worth of \$2.7 billion ranked second. Production credit associations (PCA's) and Federal land banks (FLB's), including Federal land bank associations, had net worths totaling \$4.2 billion, about evenly split between the two groups of lenders.

The net worths of PCA's and FLB's increased at a faster rate, 15 percent and 18 percent respectively, in 1976 than did other kinds of cooperatives. That has been the trend for the last decade and has raised those

two cooperative systems' shares of net worth from one-fifth in January 1967 to one-third in January 1977.

### Farm Debt

Despite the worsening price and income conditions for many farmers during 1976, farm debt continued to rise at about the same rate as during the preceding year, and the overall condition of the debt did not change appreciably. It appeared that most farmers were able to handle their indebtedness fairly well. Exceptions were evident in some areas and for some types of producers, particularly of cattle and grain.

Two types of lending rose quite rapidly in the year and were continuing to mount in the early months of 1977: loans for price support of grains, and emergency loans of the Farmers Home Administration (FmHA). However, both constituted a small part of total farm borrowings.

Value of farmland rose more in 1976 than in the previous year—16 percent compared with 14 percent—contributing to the further rise in total farm asset values. And the overall farm debt to asset ratio remained around the modest 15-percent level.

The relationships of both nonreal estate and real estate debts to asset values continued to change little during 1976 (fig. 7). At 26 percent for nonreal estate

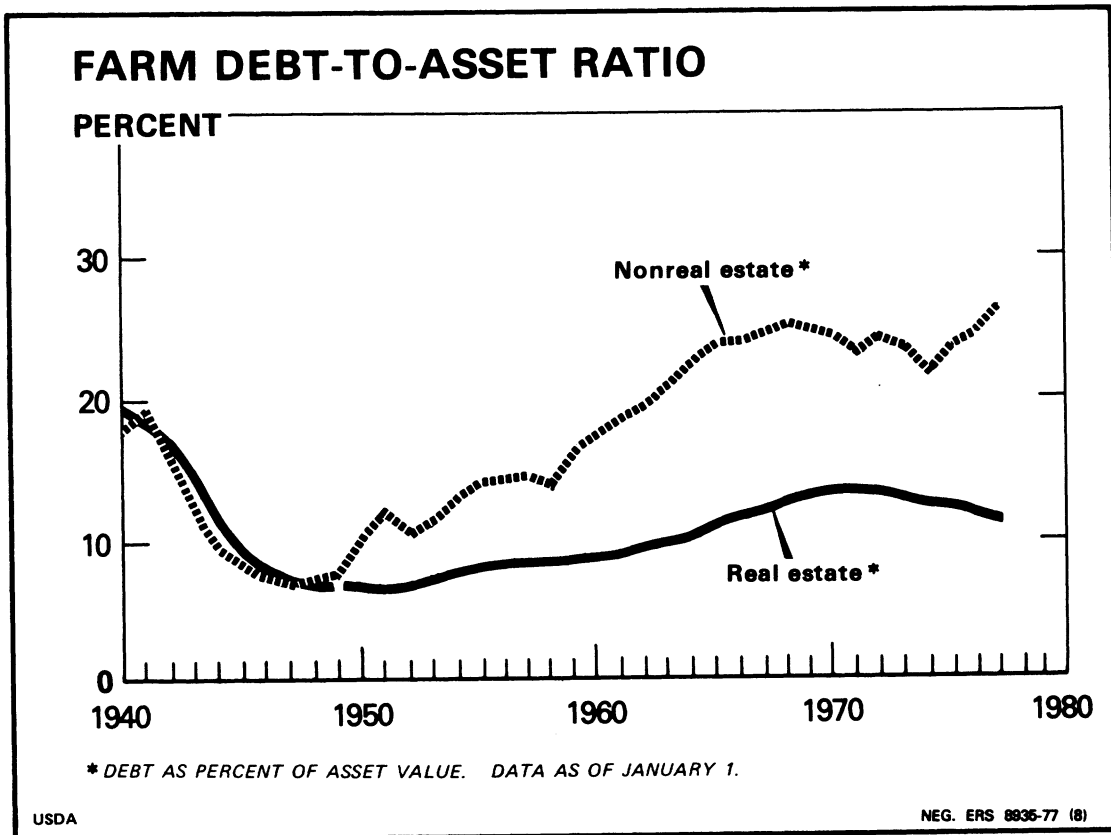


Figure 7

and 11 percent for real estate, the ratio on January 1, 1977 for real estate was slightly lower and for nonreal estate slightly higher than in the late 1960's. In the 1950 and 1960 decades, both ratios increased quite steadily. With the smaller net incomes received by many farmers in 1976, cash flow and debt repayments problems were reported frequently among borrowers from commercial banks in the Great Plains and Western States.

Total farm debt reached \$102 billion, 13 percent higher than January 1, 1976 (fig. 8). The rate of increase was a little higher than in the previous year, and the \$11 billion rise was slightly more than in earlier recent years. However, as shown in figure 9 the annual dollar increase in nonreal estate and real estate debt (excluding CCC loans) has been rather unchanged since 1972 but at a much higher level than in the earlier years. CCC price support loans outstanding reached above \$1.0 billion on January 1, 1977, and continued to grow fairly rapidly in the first half of 1977 reaching \$1.4 billion by midyear. This growth reflected the decline in market prices to close to Federal price support levels of several crops, especially wheat.

#### Nonreal Estate Farm Debt

Excluding CCC loans, nonreal estate farm debt rose 13 percent during 1976 (table 14). Increases for

merchants and dealers, individuals, and other "nonreporting" lenders lagged a little behind those of the major institutional lenders, 9 percent compared to 14 percent, continuing the trend of recent years for a larger part of total nonreal estate debt to be financed by banks and the PCA's. Lending by banks increased more rapidly than PCA's during 1976.

A larger part than usual of the bank loans outstanding at the end of the year represented renewals of old loans. In 1976 and continuing through the first half of 1977, banks in the Minneapolis and Kansas City Federal Reserve Districts, where drought effects were more severe, reported that renewals of farm loans were much higher than in previous years, accompanied by lower repayment rates.

Loan growth and condition among PCA borrowers during 1976 appeared to contrast with those at banks. Nationally, loan repayments at PCA's were well maintained during 1976 and renewals rose no faster than outstanding loans. The proportion of "problem" loans among PCA's was higher in 1975 and 1976 than the low levels of the preceding years, but 1976 was little different from 1975, even in the districts that included the dry areas.

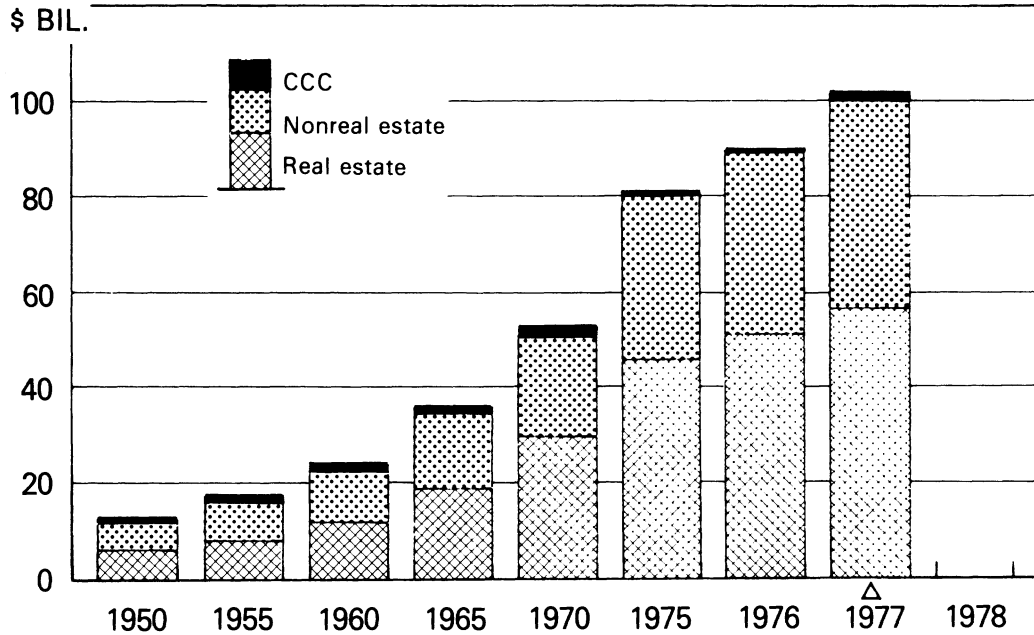
About two-thirds of the counties nationally in 1976-77 were designated as drought emergency counties

Table 14—Nonreal estate farm debt outstanding, January 1, selected years, 1940-77

Year	Debt owed to reporting institutions (excluding CCC)					Debts owed to individuals and others	Total excluding CCC loans	Price support and storage loans made or guaranteed by CCC <sup>2</sup>	Total including CCC loans
	All operating banks	Production credit associations	Federal intermediate credit banks <sup>1</sup>	Farmers Home Administration	Total				
<i>Million dollars</i>									
1940 . . . . .	900	153	32	418	1,503	1,500	3,003	445	3,448
1945 . . . . .	949	188	30	453	1,620	1,100	2,720	683	3,403
1950 . . . . .	2,049	387	51	347	2,834	2,320	5,154	1,721	6,875
1955 . . . . .	2,934	577	58	417	3,986	3,210	7,196	2,219	9,415
1960 . . . . .	4,819	1,361	90	398	6,668	4,860	11,528	1,165	12,693
1961 . . . . .	4,992	1,480	88	420	6,979	4,990	11,969	1,390	13,359
1962 . . . . .	5,316	1,640	99	496	7,551	5,150	12,701	1,866	14,567
1963 . . . . .	5,980	1,839	110	556	8,484	5,680	14,164	2,055	16,219
1964 . . . . .	6,652	2,106	126	594	9,477	6,180	15,657	1,926	17,583
1965 . . . . .	6,990	2,278	125	644	10,036	6,330	16,366	1,543	17,909
1966 . . . . .	7,676	2,579	140	717	11,112	6,950	18,062	1,408	19,470
1967 . . . . .	8,534	3,016	157	738	12,444	7,350	19,794	1,157	20,951
1968 . . . . .	9,272	3,518	176	798	13,764	7,070	20,834	1,420	22,254
1969 . . . . .	9,720	3,826	180	822	14,547	5,840	20,387	2,671	23,058
1970 . . . . .	10,330	4,495	218	785	15,828	5,340	21,168	2,676	23,844
1971 . . . . .	11,102	5,295	220	795	17,412	4,850	22,262	1,876	24,138
1972 . . . . .	12,498	6,078	237	771	19,584	5,060	24,644	2,262	26,906
1973 . . . . .	14,315	6,607	251	781	21,954	5,840	27,794	1,793	29,587
1974 . . . . .	17,167	7,829	331	877	26,204	5,930	32,134	750	32,884
1975 . . . . .	18,238	9,519	374	1,044	29,176	6,050	35,226	319	35,545
1976 . . . . .	20,160	10,773	350	1,772	33,056	6,350	39,406	358	39,764
1977 . . . . .	23,283	12,223	368	1,877	37,761	6,950	44,711	1,017	45,728
<i>Percent change</i>									
1967-77 . . .	172.8	305.3	134.4	155.7	203.4	5.4	125.9	-12.1	119.3
1976-77 . . .	15.5	13.5	5.1	6.6	14.2	9.4	13.5	184.1	15.0

<sup>1</sup> Loans to and discounts for livestock loan companies and agricultural credit corporations. <sup>2</sup> Although price-support loans are non-recourse loans, they are treated as debts. Borrowers must either pay them or deliver the commodities on which they are based.

## FARM DEBT OUTSTANDING\*



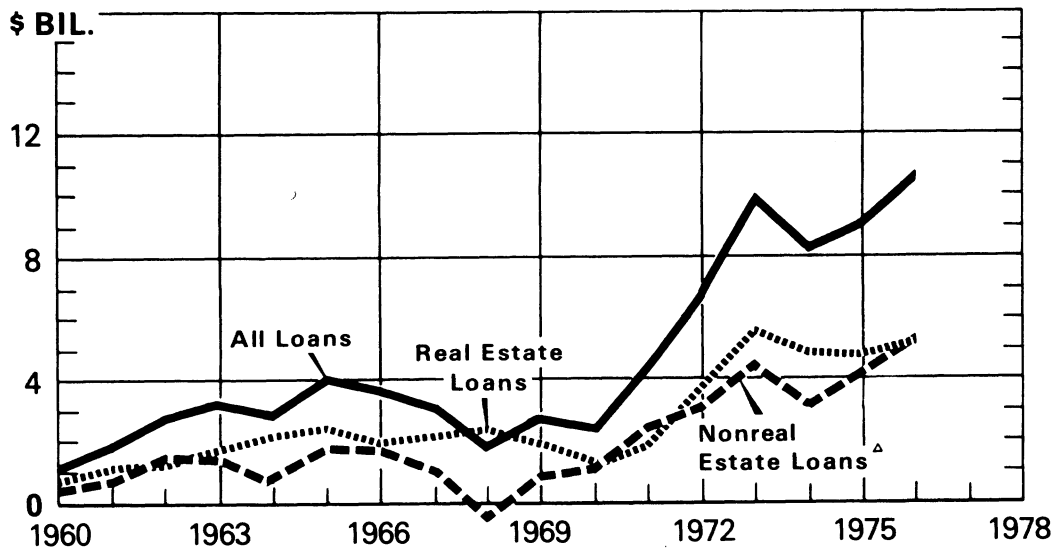
\* FARM LOANS OUTSTANDING JANUARY 1.    Δ PRELIMINARY.

USDA

Figure 8

NEG. ERS 5734-77 (8)

## ANNUAL NET FLOW OF FARM LOAN FUNDS\*



\* OUTSTANDING DEBT AT BEGINNING OF YEAR SUBTRACTED FROM OUTSTANDING DEBT AT YEAR END.  
 Δ EXCLUDES COMMODITY CREDIT CORP. LOANS.

USDA

Figure 9

NEG. ERS 3792-77 (9)

and eligible for special assistance. While many counties were designated for emergency assistance, the more severely affected areas were in several Great Plains States. In April 1977, a U.S. Department of Agriculture survey was made of farm lending by commercial banks in those States to determine the availability and condition of bank farms loans. While the great bulk of the banks' farmer borrowers in these States appeared to be able to adjust if these conditions were to continue, 6 percent of the bank borrowers were reported to be unable to repay their debt obligations. This was substantially more than the usual number of these borrowers in such condition.

The drought effects resulted in a large expansion in FmHA emergency loans. These loans assist farmers suffering from the effects of natural disasters and unable to obtain financing from their usual commercial sources. Of the 29,000 emergency loans made from October 1976 through July 1977, about half were made in the nine States in the survey area. Subsequent improvements in weather conditions and the expected passage of a new farm bill with higher loan and target price levels resulted in more optimism in these areas.

FmHA emergency loans rose rapidly during 1975, increased slightly further during 1976, and reached \$1.4 billion by mid-1977. Lending is restricted to borrowers

unable to obtain financing from usual sources. The relatively few emergency loans indicate that the drought was fairly spotted within the broader areas designated as eligible for assistance, and that most farmers were still able to draw on their usual lenders. Despite the less favorable farm income situation generally, the proportion of FmHA loans that were delinquent in early 1977 was practically unchanged from March 1976 or March 1975.

Regionally, the increase in nonreal estate loans in 1976 was greatest in the Pacific and Northern Plains States, and least in the Delta States (fig. 10). Loans in the Delta States had risen substantially in 1975.

### Farm Real Estate Debt

Farm real estate debt outstanding totaled \$56.4 billion, up 10.5 percent since a year earlier (table 15). The farm real estate equity balance was \$440.8 billion, and the farm mortgage debt to asset ratio was 11.4.

According to reporters' opinions on the March 1, 1977 ERS Farm and Rural Land Market Survey, most lenders were continuing to accommodate the credit needs of farm purchasers. The relatively good credit availability, reporters stated, was partially due to slightly declining interest rates. In 1976, credit financing was

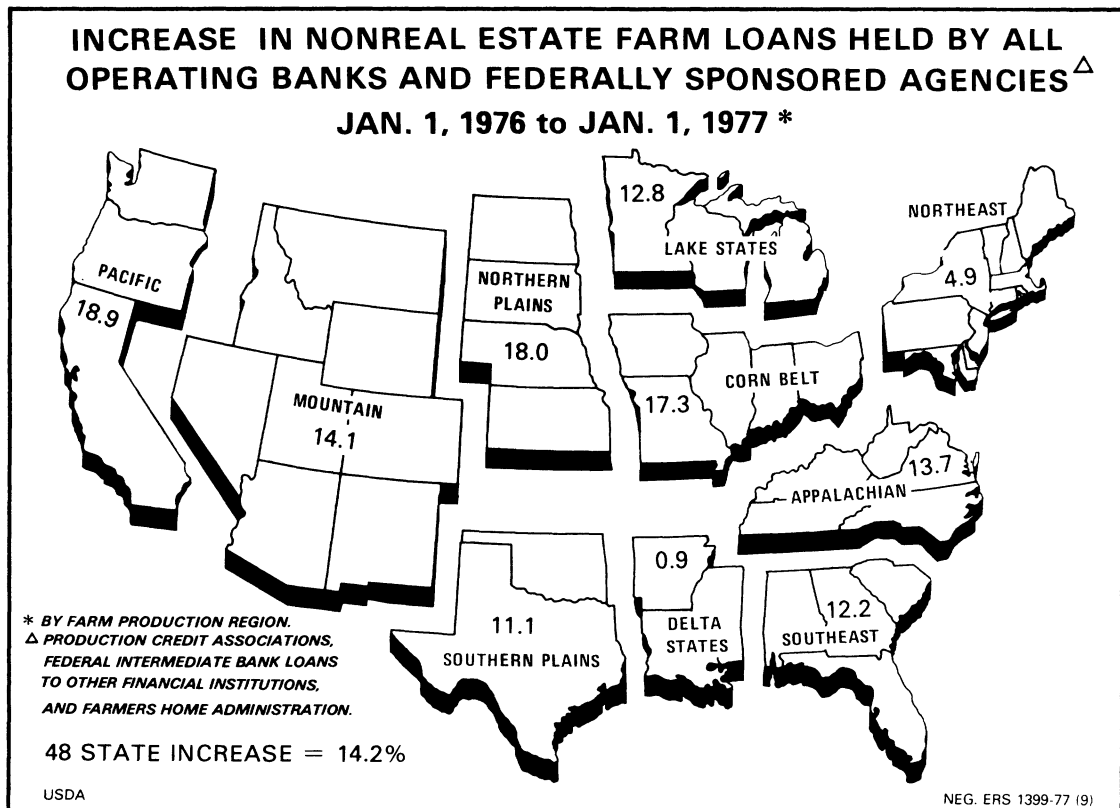


Figure 10

**Table 15—Real estate farm debt outstanding, January 1, selected years, 1967-77**

Year	Federal land banks <sup>1</sup>	Farmers Home Administration	Life insurance companies	Commercial banks	Individuals and others	Total
<i>Million Dollars</i>						
1967 .....	4,915	1,663	5,214	2,770	8,516	23,077
1972 .....	7,880	2,618	5,564	4,218	11,927	32,208
1973 .....	9,050	2,835	5,643	4,792	13,437	35,758
1974 .....	10,901	3,013	5,965	5,458	15,915	41,253
1975 .....	13,402	3,215	6,297	5,966	17,408	46,288
1976 .....	15,950	3,369	6,726	6,296	18,728	51,068
1977 .....	18,455	3,655	7,270	6,781	20,266	56,427
<i>Dollar Change</i>						
1967-72 .....	2,965	955	350	1,448	3,411	9,131
1972-77 .....	10,830	1,042	1,986	2,652	7,973	24,482
1972-73 .....	1,170	217	79	574	1,510	3,550
1973-74 .....	1,851	178	322	666	2,478	5,495
1974-75 .....	2,501	202	332	508	1,493	5,035
1975-76 .....	2,548	154	236	330	1,320	4,588
1976-77 .....	2,505	286	544	485	1,538	5,359
<i>Percent Change</i>						
1967-72 .....	60.3	57.4	6.7	52.3	40.1	39.6
1972-77 .....	134.2	39.6	30.7	60.8	69.9	75.2
1972-73 .....	14.8	8.3	1.4	13.6	12.7	11.0
1973-74 .....	20.4	6.3	5.7	13.9	18.4	15.4
1974-75 .....	22.9	6.7	5.6	9.3	9.4	12.2
1975-76 .....	19.0	4.8	6.8	5.5	7.6	10.3
1976-77 .....	15.7	8.5	8.1	7.7	8.2	10.5
<i>Percentage Distribution of Debt</i>						
1967 .....	21.3	7.2	22.6	12.0	36.9	100.0
1972 .....	24.5	8.1	17.3	13.1	37.0	100.0
1973 .....	25.3	7.9	15.8	13.4	37.6	100.0
1974 .....	26.4	7.3	14.5	13.2	38.6	100.0
1975 .....	29.0	6.9	13.6	12.9	37.6	100.0
1976 .....	31.2	6.6	13.2	12.3	36.7	100.0
1977 .....	32.7	6.5	12.9	12.0	35.9	100.0

<sup>1</sup> Includes data for joint stock land banks and Federal Farm Mortgage Corporation. <sup>2</sup> Life Insurance Institute Tally sheet. Estimate for 1977 is preliminary. <sup>3</sup> Estimated by ERS, USDA.

involved in 88 percent of all transfers, tying the record set in 1975. The ratio of debt to purchase price was 77 percent. The actual number of credit financed voluntary and estate sales financed through credit increased by 2 percent and total debt incurred to aid in those farmland purchases increased by 28 percent from 1975.

During 1976, seller financing and Federal land bank financing together provided two-thirds of all new money loaned for the purchase of farm real estate. Also, life insurance companies came back into the farm mortgage market more competitively. For the year ending March 1, 1977, life insurance companies showed the largest percentage change for any institutional lender by increasing their market share of new money loaned to purchase farmland from 9 percent in 1975 to 13 percent in 1976.

#### Interest Charges

Interest charges on farm loans increased 13 percent during 1976 reflecting mostly larger borrowings at rates

similar to those of 1975 (table 16). Interest charges on farm real estate debt have been revised for 1972-76, with levels reduced somewhat. The charge for 1976 was less by about 6 percent, or \$200 million below the previous estimate for that year.

#### Proprietors' Equity in Farm Assets

Farm proprietors added \$66.8 billion to their net worth. The 13.3 percent gain during 1976 was slightly better than during 1975 and the dollar gain was \$10.0 billion more. But the increase did not match the record \$79.2 billion, 23.8 percent, jump of 1973.

As usual, the big boost to equity was due to rapidly appreciating farm real estate values without compensating increases in farm real estate debt (table 17). Growth in real estate equity during 1976 accounted for \$62.8 billion, or 94 percent of the total equity gain. Assets other than real estate showed an equity gain of \$4.0 billion, or 6 percent of the total gain. That was less than half the dollar growth during 1975 for the nonreal estate

**Table 16—Annual interest charges on the farm debt, selected years, 1960-76**

Year	Total charges	Charges on farm real estate debt <sup>1</sup>	Charges <sup>2</sup> on nonreal estate debt owed to:				
			All lenders	Commercial banks	Production credit associations <sup>3</sup>	Farmers Home Administration	Individuals and others <sup>4</sup>
<i>Million dollars</i>							
1960 .....	1,338	628	710	301	120	21	268
1965 .....	2,085	1,075	1,010	435	179	36	361
1970 .....	3,335	1,763	1,572	767	479	49	277
1971 .....	3,502	1,905	1,597	818	459	51	269
1972 .....	3,811	2,082	1,729	903	483	47	296
1973 .....	4,562	2,433	2,129	1,141	616	51	320
1974 .....	5,616	2,910	2,706	1,435	870	75	326
1975 .....	6,275	3,414	2,861	1,439	961	119	342
1976 <sup>4</sup> .....	7,098	3,892	3,206	1,670	1,003	159	374
<i>Percent change</i>							
1971-76 .....	102.7	104.3	100.8	104.2	118.3	211.8	39.0
1975-76 .....	13.1	14.0	12.1	1.6	4.4	33.6	9.4

<sup>1</sup> Revised 1972-76. Information on the revision will be given in a forthcoming ERS publication. <sup>2</sup> Includes service fees. Excludes interest charges on Commodity Credit Corporation price support loans and interest charges on debt for family living purposes. <sup>3</sup> In addition to production credit associations, includes Federal intermediate credit bank loans to and discounts for livestock loan companies and agricultural credit corporations. <sup>4</sup> Preliminary.

assets, but was a healthy contrast to 1974's \$4.7 billion drop.

Practically all the growth in equity in nonreal estate assets was accounted for by the increase in machinery and motor vehicle value. Although much of the increase in nonreal estate debt was incurred to purchase machinery and motor vehicles, a substantial portion of the additional \$6.0 billion nonreal estate debt outstanding was probably used to finance the carryover of crops into 1977.

The total debt to asset ratio was practically the same as a year earlier, 15.2 percent compared with 15.3 percent on January 1, 1976. Since the value of farm real estate rose more rapidly than did the debt it secured, that debt to asset ratio declined to 11.4 percent from 11.9 percent in January 1976, the lowest since 1965.

On the other hand, the nonreal estate debt to asset

ratio of 24.3 percent on January 1, 1976, rose to 26.3 percent on January 1, 1977, the highest since this series of data began in 1940.

The total 15.2 percent debt to asset ratio does not reflect the financial situation on each individual farm. Some farms have much higher ratios and some much less. In fact, census and other survey data indicate that, at the beginning of the year, well over one-third of the farms were debt free. Also, evidence indicates that most large farms are much more heavily indebted than the smaller units.

The ratio does reflect the financial health of the Nation's farming sector, however, and compares very favorably with most other industries. To illustrate, although the accounting is not perfectly comparable, the average debt to asset ratio of all manufacturing corporations in the first quarter of 1977 was over 40 percent.

## FACTORS INFLUENCING THE 1977 BALANCE SHEET

### Farm Income

Total net farm income in 1976 dropped 17 percent from the previous year. Total gross farm income increased \$1.6 billion but production expenses jumped \$5.9 billion (table 18 and fig. 11). Cash receipts increased from \$88.1 billion in 1975 to \$94.3 billion in 1976, but this was mostly offset by the slight decline in

Government payments and a sharp drop in the value of the net change in farm inventories.

Crop cash receipts were up 6 percent (table 19) due to the larger volume marketed as the index of crop prices received by farmers (1967=100) declined 2 percent. Cash receipts from livestock and livestock products were up 8 percent because of slightly higher



Table 17—Proprietors' equity in farm real estate and nonreal estate assets, January 1, 1940-77<sup>1</sup>

Year (Jan. 1)	Farm real estate				Farm nonreal estate			
	Value	Debt out- standing	Equity	Debt-to- asset ratio	Value	Debt out- standing <sup>2</sup>	Equity	Debt-to- asset ratio
	<i>Million dollars</i>		<i>Percent</i>		<i>Million dollars</i>		<i>Percent</i>	
1940	33,636	6,586	27,050	19.6	19,389	3,449	15,940	17.8
1941	34,400	6,494	27,906	18.9	20,456	3,976	16,480	19.4
1942	37,547	6,376	31,171	17.0	25,428	4,092	21,336	16.1
1943	41,604	5,956	35,648	14.3	32,270	3,944	28,326	12.2
1944	48,200	5,396	42,804	11.2	36,362	3,475	32,887	9.6
1945	53,884	4,941	48,286	9.2	40,256	3,403	36,853	8.5
1946	61,046	4,760	56,186	7.8	42,437	3,145	39,292	7.4
1947	68,463	4,897	63,566	7.2	47,936	3,516	44,420	7.3
1948	73,664	5,064	68,600	6.9	54,163	4,174	49,989	7.7
1949	76,623	5,288	71,335	6.9	58,222	6,082	52,140	10.4
1950	77,600	5,579	72,021	7.2	57,113	6,875	50,238	12.0
1951	89,523	6,112	83,411	6.8	64,938	6,964	57,974	10.7
1952	89,452	6,662	82,790	7.4	71,922	7,981	63,941	11.1
1953	100,051	7,241	92,810	7.2	67,937	8,859	59,078	13.0
1954	98,654	7,740	90,914	7.8	66,259	9,194	57,065	13.9
1955	102,216	8,245	93,971	8.1	66,948	9,415	57,533	14.1
1956	107,503	9,012	98,491	8.4	66,624	9,780	56,844	14.7
1957	115,666	9,822	105,844	8.5	67,488	9,523	57,965	14.1
1958	121,754	10,382	111,372	8.5	69,824	10,029	59,795	14.4
1959	131,054	11,091	119,963	8.5	77,737	12,558	65,179	16.2
1960	137,161	12,082	125,079	8.8	73,390	12,693	60,697	17.3
1961	138,466	12,820	125,646	9.3	72,588	13,359	59,229	18.4
1962	144,548	13,899	130,649	9.6	74,986	14,567	60,419	19.4
1963	150,181	15,168	135,013	10.1	77,714	16,219	61,495	20.9
1964	158,557	16,804	141,753	10.6	77,281	17,583	59,698	22.7
1965	167,502	18,984	148,518	11.3	76,549	17,909	58,640	23.4
1966	179,211	21,187	158,024	11.8	81,837	19,470	62,367	23.8
1967	189,104	23,077	166,027	12.2	85,300	20,951	64,349	24.6
1968	199,700	25,142	174,558	12.6	88,567	22,254	66,313	25.1
1969	209,190	27,397	181,793	13.1	93,884	23,058	70,826	24.6
1970	215,893	29,183	186,710	13.5	99,380	23,844	75,536	24.0
1971	223,881	30,346	193,535	13.6	102,695	24,138	78,557	23.5
1972	241,371	32,208	209,163	13.3	111,795	26,906	84,889	24.1
1973	271,047	35,758	235,289	13.2	127,142	29,587	97,555	23.3
1974	335,372	41,253	294,119	12.3	150,843	32,885	117,958	21.8
1975	378,666	46,288	332,378	12.2	148,802	35,545	113,257	23.9
1976	429,058	51,069	377,989	11.9	163,783	39,764	124,019	24.3
1977 <sup>3</sup>	497,180	56,427	440,753	11.4	173,760	45,723	128,037	26.3

<sup>1</sup> Data for 50 States beginning with 1960. <sup>2</sup> Includes CCC loans. <sup>3</sup> Preliminary.

prices and an increase in volume marketed. The index of prices received for livestock and livestock products by farmers (1967=100) was up 3 percent. The index of the volume of farm marketings of livestock and livestock products (1967=100) rose 5 percent.

The increase in the index of prices paid by farmers for production items, interest, taxes, and farm wages (1967=100) continued to moderate during 1976. The index increased 6 percent in 1976, compared with jumps of 10 percent in 1975, 14 percent in 1974, and 19 percent in 1973. Prices paid for feed rose 2 percent during 1976 and feeder livestock prices jumped 15 percent. Prices paid for chemicals gained 9 percent and wage rates rose 9 percent. However, prices of some inputs declined. Prices paid for farm and motor supplies declined 2 percent. Seed prices decreased 2 percent. Fertilizer prices dropped 15 percent in contrast to a 30

percent rise in 1975. Planted acreage of principal crops increased 1 percent. It was the fourth straight year that planted acreage increased.

#### Farm Production Assets and Earnings

The market value of farm production assets, those used in actual production of farm goods, totaled \$564 billion (table 20).<sup>1</sup> That was 14 percent higher than a year earlier and about the same relative increase as occurred in 1975. Of the increase in total production assets, real estate accounted for 91 percent.

In contrast to a sharp rise in 1975, the value of livestock and poultry leveled reflecting mostly a moderation

<sup>1</sup> Data in table 20 have been revised beginning with 1960 to reflect new estimates of farm real estate values as explained in the farm real estate section and elsewhere in this report.

Table 18—Comparative income statement of U.S. agriculture, selected years, 1940-76<sup>1</sup>

Item	1940	1950	1960	1969	1970	1971	1972	1973	1974 <sup>2</sup>	1975 <sup>2</sup>	1976 <sup>3</sup>
	<i>Million dollars</i>										
Realized Net Farm Income of Farm Operators											
Total gross farm income:											
Cash receipts from farm marketings . . . . .	8,382	28,461	34,248	48,179	50,539	52,859	61,190	87,068	92,449	88,077	94,326
Government payments to farm operators and landlords . . . . .	723	283	702	3,794	3,717	3,145	3,961	2,607	531	807	734
Home consumption of farm products . . .	1,210	2,063	1,205	731	751	732	831	1,104	1,295	1,270	1,342
Rental value of farm dwellings . . . . .	744	1,464	2,098	3,046	3,019	3,226	3,474	3,913	4,687	5,281	5,879
Other farm income <sup>4</sup> . . . . .	0	20	244	559	543	641	663	813	989	1,233	1,362
Net farm inventory change . . . . .	281	812	397	99	6	1,397	861	3,406	-1,611	3,448	-1,894
Total . . . . .	11,340	33,103	38,894	56,408	58,575	62,000	70,980	98,911	98,340	100,116	101,749
Production costs:											
Feed bought . . . . .	998	3,283	4,552	7,100	8,028	8,049	8,397	13,224	14,513	12,624	13,900
Livestock bought, except horses and mules . . . . .	517	2,004	2,506	4,225	4,324	5,123	6,668	8,065	5,131	4,931	5,800
Fertilizer and lime bought . . . . .	306	975	1,344	2,312	2,390	2,633	2,690	3,354	5,808	6,435	6,168
Repairs and operation of capital items . . .	1,038	2,975	3,982	4,507	4,539	4,707	4,708	5,229	6,659	7,567	8,344
Depreciation and other consumption of farm capital <sup>5</sup> . . . . .	797	2,665	4,337	6,574	6,760	7,350	7,887	8,945	10,563	12,640	13,900
Taxes on farm real estate and personal property . . . . .	451	919	1,529	2,456	2,596	2,704	2,815	2,886	3,096	3,333	3,543
Seed bought . . . . .	197	518	519	871	927	1,072	1,115	1,617	2,082	2,293	2,354
Wages to hired labor (cash and perquisites) . . . . .	1,029	2,811	3,062	4,152	4,349	4,367	4,594	5,232	6,036	6,358	6,959
Net rent and Government payments to non-operator landlords <sup>6</sup> . . . . .	448	1,233	1,124	2,061	2,132	2,246	3,491	5,679	5,100	4,600	4,100
Interest on farm mortgage debt . . . . .	293	264	628	1,625	1,764	1,905	2,132	2,495	3,044	3,608	4,037
Miscellaneous . . . . .	784	1,808		6,232	6,615	7,211	7,818	8,836	10,178	11,469	12,630
Total . . . . .	6,858	19,455	27,376	42,115	44,424	47,367	52,315	65,562	72,210	75,858	81,735
Total net farm income of farm operators <sup>7</sup> . . . . .	4,482	13,648	11,518	14,293	14,151	14,633	18,665	33,349	26,130	24,258	20,014
Total net farm income per farm (dollars) <sup>7</sup> . . . . .	706	2,417	2,907	4,766	4,790	5,030	6,504	11,727	9,232	8,637	7,203
Total Net Farm Income Of Proprietors											
Total net farm income of farm operators <sup>7</sup> . . . . .	4,482	13,648	11,518	14,293	14,151	14,633	18,665	33,349	26,130	24,258	20,014
Net rent and Government payments to Non-operator landlords <sup>6</sup> . . . . .	448	1,233	1,124	2,061	2,132	2,246	3,491	5,679	5,100	4,600	4,100
Total net farm income of proprietors <sup>7</sup> . . . . .	4,930	14,881	12,642	16,354	16,283	16,879	22,156	39,028	31,230	28,858	24,114

<sup>1</sup> Includes Alaska and Hawaii beginning with 1960. <sup>2</sup> Revised. <sup>3</sup> Preliminary. <sup>4</sup> Machine hire and custom work and recreational income. <sup>5</sup> Valued at replacement cost. <sup>6</sup> After subtraction of taxes, mortgage interest and other expenses paid by landlords. <sup>7</sup> Total net farm income includes net changes in farm inventories.

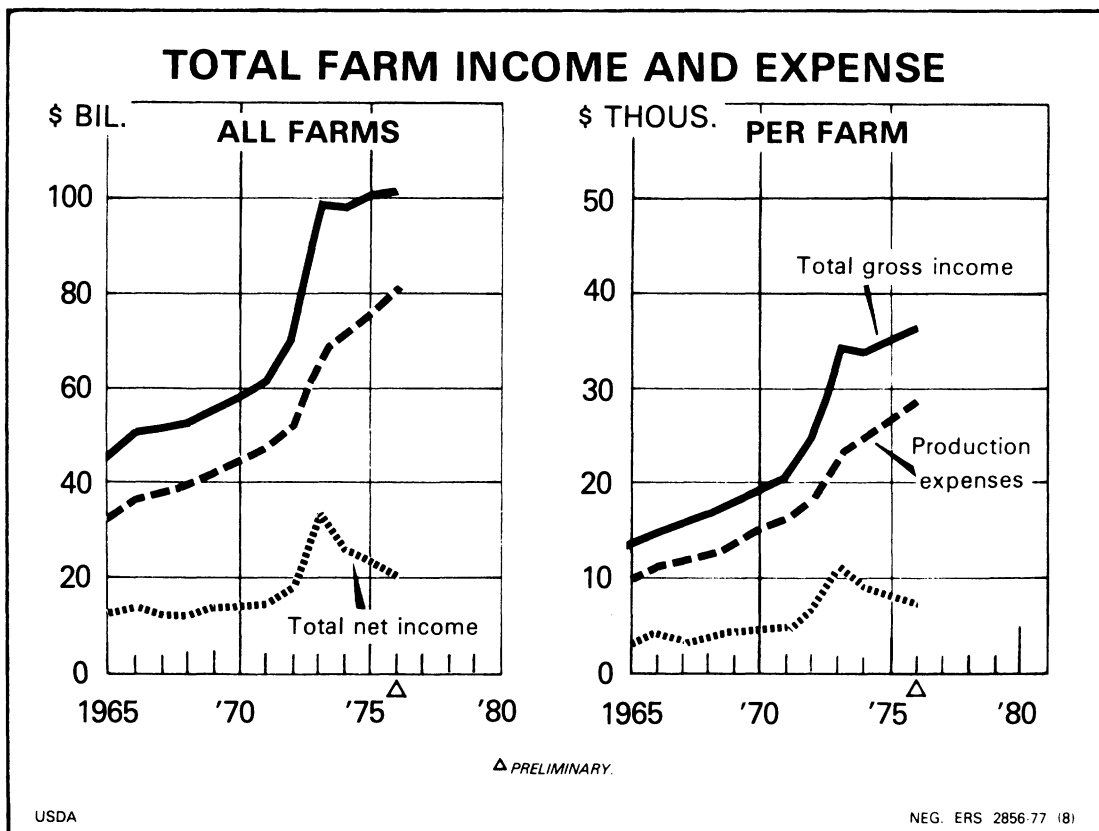


Figure 11

Table 19—Cash receipts from marketings of livestock and crops, 1974-76

Commodity	1974	1975	1976
	<i>Million dollars</i>		
All Commodities . . . . .	92,449	88,077	94,326
Livestock and products . . . . .	41,359	43,024	46,389
Cattle and calves . . . . .	17,819	17,508	19,421
Hogs . . . . .	6,975	7,929	7,374
Sheep and lambs . . . . .	370	380	393
Dairy products . . . . .	9,445	9,909	11,425
Eggs . . . . .	2,881	2,814	3,156
Broilers and farm chickens . . . . .	2,568	3,046	3,068
Turkey and other poultry <sup>1</sup> . . . . .	808	931	968
Other livestock products <sup>2</sup> . . . . .	493	507	584
Crops . . . . .	51,090	45,053	47,937
Food grains . . . . .	8,511	7,763	6,799
Feed crops . . . . .	13,959	12,153	13,475
Cotton and cottonseed . . . . .	2,893	2,311	3,552
Oil bearing crops . . . . .	9,965	7,278	8,855
Tobacco . . . . .	2,097	2,155	2,270
Fruit and tree nuts . . . . .	3,435	3,531	3,500
Vegetables . . . . .	5,329	5,330	5,281
Other crops <sup>3</sup> . . . . .	4,901	4,532	4,207

<sup>1</sup> Ducks, geese, pigeons. <sup>2</sup> Wool, horses, mules, mohair, honey, beeswax, bees, and fur animals. <sup>3</sup> Sugar crops, greenhouse and nursery products, forest products, legumes and grass seeds, hops, mint, broomcorn, popcorn, hemp fiber and seed, and flax fiber.

in cattle values. Machinery and motor vehicle value rose 11 percent, substantially less than the 18 percent increase during 1975. The number of machines and motor vehicles on farms changed little, but value per unit rose. The value of other assets rose only slightly.

Production assets per farm, at \$204,960, were up 15 percent. As with total values, increase in the value of farm real estate accounted for the bulk of the gain.

The value of production assets per farm worker increased 13 percent, slightly less than the increase in 1975, but nearly double the 1974 rate. The value rose to \$128,456 per worker. The sharp increase in the value of assets was the main reason for the increase; the number of farm workers changed only slightly.

The rate of return on equity in farm production assets was 2.4 percent in 1976 (table 21). This was the lowest rate since 1960; it was little more than one-half the 1975 rate and only one-fourth the record for 1973. The 14 percent increase in equity in production assets and a near 10 percent drop in net income from production were the main causes in lowering the ratio of earnings to asset equity in 1976. Higher charges for labor, management, and interest on debt helped pull net income down.

**Table 20—Value of production assets: Total, per farm and per farm worker,  
January 1, 1960-77**

Year	Farm real estate <sup>1</sup>	Livestock <sup>2</sup>	Machinery and motor vehicles <sup>3</sup>	Other <sup>4</sup>	Total
<i>Billion dollars</i>					
<b>Total</b>					
1960 .....	120.2	15.2	19.3	8.2	162.9
1961 .....	121.7	15.6	19.1	7.9	164.4
1962 .....	127.5	16.4	19.4	8.0	171.3
1963 .....	133.1	17.3	20.2	8.2	178.7
1964 .....	141.0	15.9	20.5	8.6	185.9
1965 .....	149.2	14.5	21.4	8.4	193.6
1966 .....	160.2	17.6	22.6	8.9	209.3
1967 .....	169.4	19.0	24.3	9.1	221.8
1968 .....	179.5	18.8	26.6	9.0	235.9
1969 .....	188.5	20.2	28.0	9.1	245.9
1970 .....	195.2	23.5	29.0	9.4	257.1
1971 .....	202.8	23.7	30.8	9.6	266.9
1972 .....	218.9	27.3	32.9	10.0	289.1
1973 .....	246.1	34.1	35.3	11.4	326.9
1974 .....	304.9	42.4	40.5	14.6	402.3
1975 .....	344.2	24.6	51.2	15.3	435.3
1976 .....	390.4	29.5	60.2	15.1	495.4
1977 .....	452.9	29.1	66.6	15.5	564.1
<i>Dollars</i>					
<b>Per farm</b>					
1960 .....	29,270	3,714	4,711	1,999	39,695
1961 .....	30,712	3,938	4,826	1,998	41,474
1962 .....	33,331	4,295	5,061	2,094	44,781
1963 .....	36,040	4,688	5,468	2,210	48,406
1964 .....	39,462	4,442	5,748	2,402	52,054
1965 .....	43,172	4,193	6,200	2,429	55,993
1966 .....	47,726	5,238	6,746	2,648	62,358
1967 .....	52,022	5,825	7,462	2,781	68,091
1968 .....	56,777	5,955	8,407	2,844	73,984
1969 .....	61,374	6,593	9,133	2,978	80,078
1970 .....	66,075	7,949	9,819	3,192	87,035
1971 .....	69,727	8,150	10,597	3,283	91,756
1972 .....	76,280	9,503	11,469	3,496	100,748
1973 .....	86,537	11,983	12,414	4,021	114,958
1974 .....	107,722	14,975	14,322	5,145	142,163
1975 .....	122,581	8,750	18,240	5,438	155,009
1976 .....	140,548	10,624	21,686	5,452	178,310
1977 .....	164,582	10,566	24,184	5,628	204,960
<i>Dollars</i>					
<b>Per farm worker</b>					
1960 .....	16,362	2,076	2,634	1,118	22,191
1961 .....	17,245	2,211	2,710	1,122	23,287
1962 .....	18,424	2,374	2,797	1,158	24,752
1963 .....	19,857	2,583	3,013	1,217	26,670
1964 .....	21,626	2,434	3,150	1,317	28,527
1965 .....	24,406	2,372	3,507	1,374	31,676
1966 .....	28,554	3,134	4,036	1,584	37,308
1967 .....	32,490	3,638	4,660	1,737	42,526
1968 .....	36,609	3,840	5,421	1,834	48,111
1969 .....	39,680	4,263	5,904	1,925	51,773
1970 .....	42,515	5,114	8,318	2,054	56,001
1971 .....	44,836	5,240	6,814	2,111	59,001
1972 .....	49,163	6,125	7,392	2,253	64,933
1973 .....	56,075	7,765	8,044	2,606	74,489
1974 .....	70,049	9,738	9,313	3,346	92,445
1975 .....	78,140	5,578	11,627	3,467	98,811
1976 .....	89,613	6,774	13,827	3,476	113,689
1977 .....	103,150	6,622	15,157	3,527	128,456

<sup>1</sup> Farmland and service buildings, excluding operator's dwellings, as of March 1. <sup>2</sup> Excludes horses and mules. <sup>3</sup> Includes 40 percent of the value of automobiles on farms and 78 percent of the value of farm trucks and all other farm machinery. <sup>4</sup> Includes one-half of the January 1 inventory of feed crops, (excluding crops under CCC loans), all hay and forage stored on farms, and working capital needed to meet farm production expenses.

**Table 21—Return to equity in farm production assets from production income, 1960-76**

Year	Net income from production <sup>1</sup>	Imputed return to—		Interest on debt <sup>4</sup>	Residual earnings to equity in production assets	Equity in production assets <sup>5</sup>	Ratio of earnings to asset equity <sup>6</sup>
		Labor <sup>2</sup>	Management <sup>3</sup>				
		<i>Million dollars</i>					<i>Percent</i>
1960 .....	16,195	9,502	1,748	1,339	3,606	140,836	2.6
1961 .....	17,079	9,307	1,833	1,419	4,520	141,124	3.2
1962 .....	17,540	9,070	1,911	1,559	5,000	146,327	3.4
1963 .....	17,677	9,098	1,959	1,741	4,879	151,111	3.2
1964 .....	16,656	8,687	1,975	1,899	4,095	155,341	2.6
1965 .....	19,589	8,366	2,091	2,091	7,041	160,368	4.4
1966 .....	21,058	8,437	2,336	2,327	7,958	172,334	4.6
1967 .....	19,453	8,886	2,295	2,582	5,690	181,301	3.1
1968 .....	19,995	8,964	2,382	2,775	5,874	192,500	3.1
1969 .....	22,487	9,608	2,599	3,043	7,237	200,848	3.6
1970 .....	22,899	9,813	2,713	3,365	7,008	209,551	3.3
1971 .....	23,641	10,246	2,800	3,533	7,062	217,164	3.3
1972 .....	29,384	10,444	3,258	3,879	11,803	235,290	5.0
1973 .....	47,510	11,244	4,484	4,683	27,114	266,672	10.2
1974 .....	41,272	12,695	4,649	5,745	18,183	332,689	5.5
1975 .....	39,796	12,983	4,444	6,536	15,833	357,962	4.4
1976 .....	36,129	14,185	4,753	7,334	9,857	409,466	2.4

<sup>1</sup> Total net income of farm operators from farming plus cash wages and perquisites of hired labor, interest on real estate and nonreal estate debt, and net rent to nonfarm landlords, minus the imputed interest portion of the rental value of farm dwellings. <sup>2</sup> Number of manhours needed for farm production times the average wage of hired workers without room and board. <sup>3</sup> Five percent of the total of cash receipts from farm production and Government payments.

## FARM CAPITAL FINANCE<sup>2</sup>

The farming sector has traditionally experienced large annual rates of farm capital accumulation since 1960. Farm capital accumulation by proprietors in 1976 equaled 54 percent of their total net farm income (table 22). From 1960 to 1976, farm capital accumulated by farm proprietors equaled 46 percent of their total net farm incomes for that period.

Farm capital accumulation fell 24 percent from \$17.2 billion in 1975 to \$13.0 billion in 1976, due primarily to a decrease in the value of farmer-held inventories of crops and livestock. The \$13.0 billion, however, was still the third largest annual amount since 1960. Expenditures for machinery and motor vehicles rose 11 percent. Currency and bank time and demand deposits were up \$350 million.

Farm proprietors rely heavily on internally generated funds from book value capital consumption allowances, net real estate transfers, and saving to finance their high rates of farm capital accumulation (fig. 12). Internal funds in 1976 accounted for 70 percent of farm capital

finance and equaled 86 percent of net farm borrowing for all purposes. Capital consumption allowances (depreciation) at book value were the largest source of capital finance in 1976, contributing 63 percent of the total.

The value of net real estate transfers (land transferred out of the farming sector) rose from \$1.6 billion in 1975 to \$2.2 billion in 1976 (table 23). The value per acre of land sold to nonagricultural uses dropped slightly in 1976, but that decline was more than offset by the rise in the number of acres transferred to nonfarm uses. The estimated value of land transferred from the farming sector is approximate, but is believed to be reasonable.

Capital borrowing is the net increase in total farm debt used to acquire motor vehicles and equipment, construct buildings, and make major repairs and improvements to land and buildings. Of the total \$10.7 billion net increase in farm debt in 1976, \$3.9 billion (36 percent) went for capital borrowing purposes. From 1960 through 1976, capital borrowing averaged 20 percent of capital finance and 39 percent of total farm borrowing for all purposes. Farm borrowing in recent years has become a larger proportion of total farm funds (fig. 13).

Saving in the capital finance account is a residual.

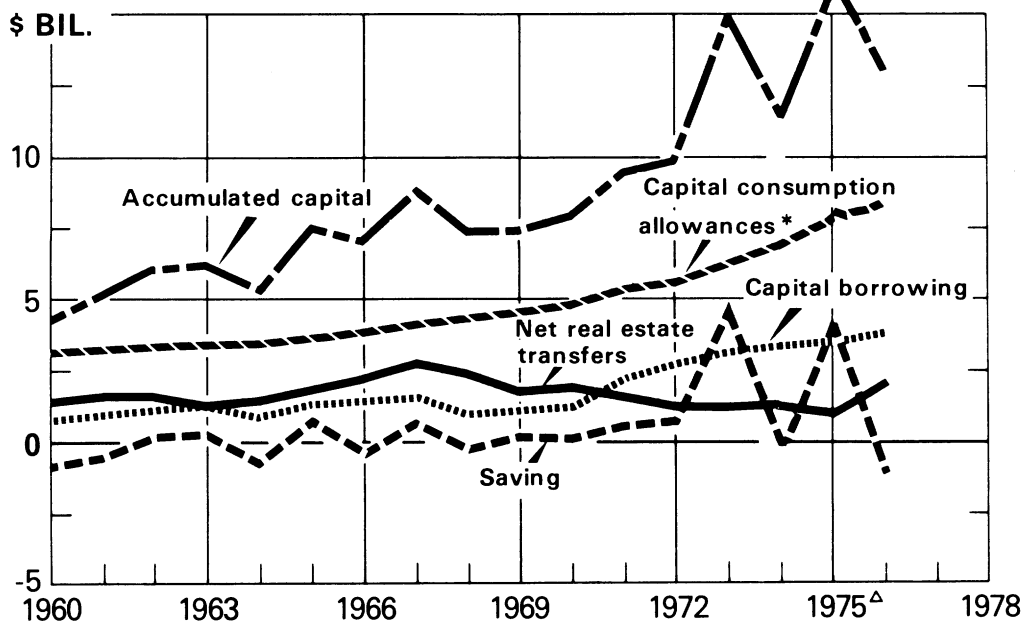
<sup>2</sup> The farm capital finance account is developed on the product basis for the farming sector; that is, all nonfarm capital is excluded.

Table 22—Farm capital finance account, U.S., 1960-1976

Item	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976
	<i>Million pounds</i>																
<b>Capital Finance Account</b>																	
Gross capital expenditure <sup>1</sup> . . . . .	4,488	4,614	5,022	5,411	5,688	6,105	6,688	7,446	6,696	6,865	7,285	7,357	8,045	10,709	12,590	13,155	14,566
Inventory change <sup>1</sup> . . . . .	397	336	620	629	-817	1,042	-83	657	124	99	6	1,397	861	3,406	-1,611	3,448	-1,894
Financial asset change <sup>2</sup> . . . . .	-446	92	352	59	354	417	323	581	583	408	543	717	873	853	183	560	350
Accumulated capital . . . . .	4,439	5,042	5,994	6,099	5,225	7,564	6,928	8,684	7,403	7,372	7,834	9,471	9,779	14,968	11,162	17,163	13,022
Capital consumption allowances at book value <sup>3</sup> . . . . .	3,119	3,141	3,235	3,344	3,448	3,582	3,758	4,020	4,286	4,510	4,783	5,243	5,484	6,076	6,889	7,602	8,217
Capital consumption allowances at replacement value <sup>1</sup> . . . . .	4,337	4,388	4,530	4,696	4,903	5,111	5,384	5,781	6,200	6,574	6,760	7,350	7,887	8,945	10,563	12,640	13,900
Less: Depreciation valuation adjustment <sup>4</sup> . . . . .	1,218	1,247	1,295	1,352	1,455	1,529	1,626	1,761	1,914	2,064	1,977	2,107	2,403	2,869	3,674	5,038	5,683
Net real estate transfers <sup>3</sup> . . . . .	1,494	1,588	1,562	1,148	1,452	1,830	2,139	2,599	2,429	1,700	1,936	1,559	1,234	1,169	1,389	1,617	2,222
Capital borrowing <sup>3</sup> . . . . .	711	872	1,006	1,166	915	1,398	1,473	1,502	933	1,084	1,092	2,160	2,538	3,111	3,193	3,327	3,862
Saving <sup>4</sup> . . . . .	-885	-559	191	441	-590	754	-442	563	-245	78	23	509	523	4,612	-309	4,617	-1,279
Capital finance . . . . .	4,439	5,042	5,994	6,099	5,225	7,564	6,928	8,684	7,403	7,372	7,834	9,471	9,779	14,968	11,162	17,163	13,022
<b>Cash Flows</b>																	
Net farm borrowing <sup>3</sup>																	
Including CCC Loans . . . . .	1,404	2,287	2,921	3,000	2,416	3,854	3,371	3,368	3,059	2,572	1,457	4,630	6,231	8,793	7,696	8,961	11,317
Excluding CCC Loans . . . . .	1,179	1,811	2,732	3,129	2,799	3,989	3,622	3,105	1,808	2,567	2,257	4,244	6,700	9,836	8,127	9,000	10,663
Internally generated funds <sup>6</sup> . . . . .	3,728	4,170	4,988	4,933	4,310	6,166	5,455	7,182	6,470	6,288	6,742	7,311	7,241	11,857	7,969	13,836	9,160

<sup>1</sup> Source: Farm Income Statistics, Stat. Bull. No. 576, July 1977. <sup>2</sup> The net increase in currency and bank time and demand deposits. <sup>3</sup> Estimated. <sup>4</sup> Residual. <sup>5</sup> The increase in total debt for farm and nonfarm purposes. <sup>6</sup> Book value capital consumption allowances, net real estate transfers, and savings.

# FARM CAPITAL FINANCE



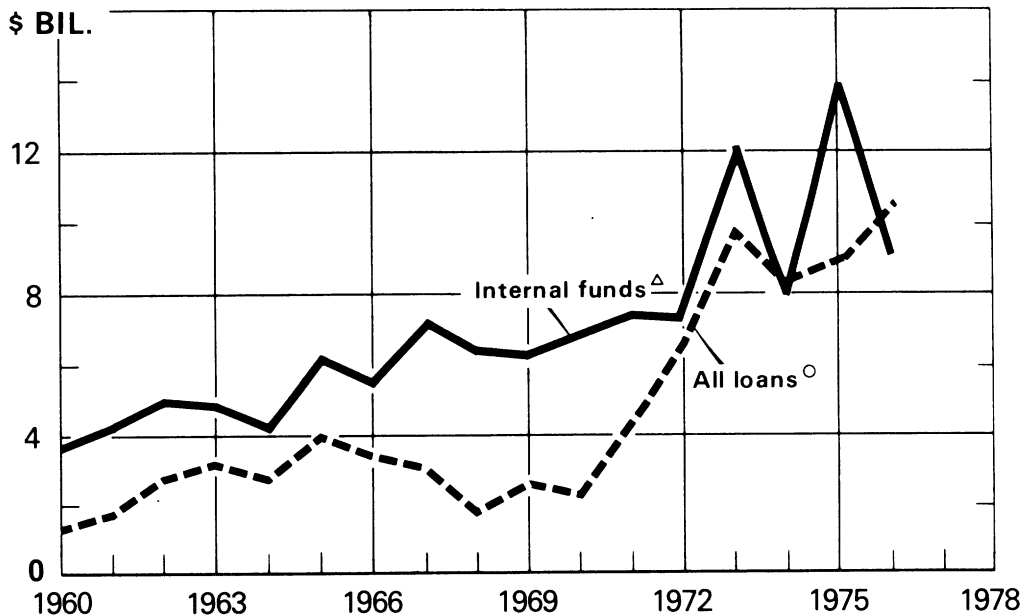
\* AT BOOK VALUE <sup>Δ</sup> PRELIMINARY

USDA

Figure 12

NEG. ERS 2427-77 (8)

# ANNUAL NET FLOW OF FARM FUNDS



Δ CAPITAL CONSUMPTION ALLOWANCES, NET REAL ESTATE TRANSFERS, AND SAVING  
 O ALL REAL AND NONREAL ESTATE DEBT EXCLUDING CCC LOANS

USDA

Figure 13

NEG. ERS 2426-77 (8)

Table 23—Net farm real estate transfers, acres and value, 1960-76

Year	Land in farms <sup>1</sup>	Decline in acres during the year	Value per acre land sold to nonagricultural uses <sup>2</sup>	Value of farm real estate transferred to nonfarm uses
	1,000 acres		Dollars	Million dollars
1960 .....	1,175,646	7,947	188	1,494
1961 .....	1,167,699	8,316	191	1,588
1962 .....	1,159,383	7,811	200	1,562
1963 .....	1,151,572	5,466	210	1,148
1964 .....	1,146,106	6,509	223	1,452
1965 .....	1,139,597	7,753	236	1,830
1966 .....	1,131,844	8,388	255	2,139
1967 .....	1,123,456	8,225	316	2,599
1968 .....	1,115,231	7,520	323	2,429
1969 .....	1,107,711	4,942	344	1,700
1970 .....	1,102,769	5,469	354	1,936
1971 .....	1,097,300	4,283	364	1,559
1972 .....	1,093,017	3,487	354	1,234
1973 .....	1,089,530	1,742	671	1,169
1974 .....	1,087,788	1,763	788	1,389
1975 .....	1,086,025	1,979	817	1,617
1976 .....	1,084,046	2,753	807	2,222
1977 .....	1,081,293			
Total .....	---	94,353	---	29,067

<sup>1</sup> Source: Number of Farms and Land in Farms. SRS, U.S. Dept. of Agriculture SpSy 3(12-76), Dec. 1976. <sup>2</sup> Source: Farm Real Estate Market Developments. ERS, U.S. Dept. of Agriculture CD-80, July 1975 and previous issues for years 1972

through 1975. Based on unweighted data supplied by farm realtors and others. 1976 is unpublished data. Value per acre is estimated for years prior to 1972.

### CAPITAL GAINS ON FARM PHYSICAL ASSETS<sup>3</sup>

Capital gains (value change less net investment) on farm physical assets, other than household items and autos and trucks for family use, have totaled \$441.8 billion since 1960 (tables 24 and 25 and fig. 14). Farm real estate, by far the most important asset in terms of value, accounted for 86.8 percent of the gain. Machinery and motor vehicles were the source of 8.8 percent of the total while livestock and crops made up 2.2 percent each.

Unlike many other years, during 1976 each asset category had a gain. The most noticeable changes from 1975 were the much smaller gain on livestock and poultry, from \$5,945 million in 1975 to \$248 million in 1976, and the turnaround for crops stored on farms (table

26). Crops showed a \$1,104 million gain during 1976 in contrast to a \$6,454 million decline in 1975.

When distributed by value of sales class, capital gains during 1976 showed no great departure from the last several years (tables 27 and 28). Capital gains on farm real estate were still the most predominant with most gains occurring on class IA farms. Revisions in the number of farms in each of the value of sales classes (beginning with 1970), changed the capital gains in the various classes somewhat. The most recognizable was that total gains on the class IA farms were greater than in other classes. Before revisions, farms in class IB and class II had larger gains than those in class IA.

On a per farm basis, the value of capital gains in each year since 1960 was progressively larger as farm size increased (table 29). Although the total gains were larger on class VI farms than some other classes in most years, the larger number of farms in that class more than offset the larger total value.

<sup>3</sup> Estimates of capital gains on major farm assets beginning with 1960 were first published in "The Balance Sheet of the Farming Sector," Suppl. No. 1, AIB-389, April 1976. Revisions since then increased estimates of gains on farm real estate. Readers are directed to that publication for details on methodology.



Table 24—Farm asset valuation gain, by type of asset, 1960-1977

Item	Asset value		Total value change	Total net investment	Asset value gains	Asset valuation gains percent of total
	Jan. 1, 1977	Jan. 1, 1960				
	<i>Million dollars</i>				<i>Percent</i>	
Real estate .....	497,180	137,161	360,019	-23,558	383,568	86.8
Machinery and motor vehicles <sup>1</sup> .....	65,224	19,220	46,004	7,266	38,738	8.8
Livestock and poultry .....	29,078	15,248	13,830	4,129	9,701	2.2
Crops stored on farms .....	21,466	7,262	14,204	4,366	9,838	2.2
Total .....	612,948	172,291	440,657	-1,197	441,845	100.0

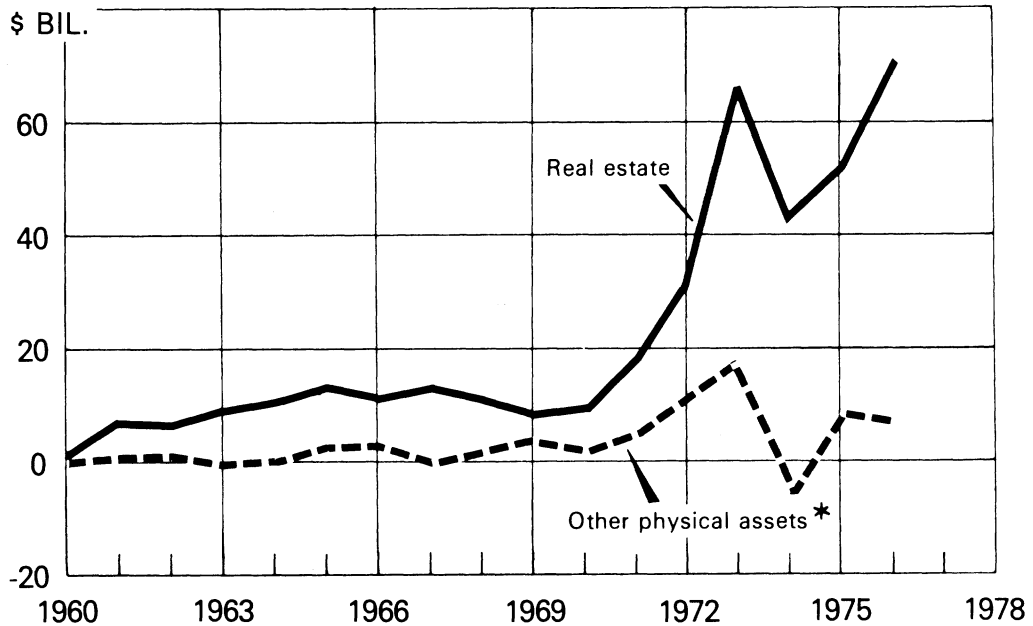
<sup>1</sup> For farm use only.

Table 25—Capital gains on farm physical assets by value of sales class, combined total for 1960-76

Asset	Sales class							
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500	All farms
	<i>Million dollars</i>							
Real estate .....	93,132	77,849	61,416	46,688	32,059	23,927	48,498	383,568
Machinery and motor vehicles <sup>1</sup> .....	7,586	8,776	7,209	5,133	3,372	2,416	4,246	38,738
Livestock and poultry .....	1,354	1,431	2,099	1,784	1,211	847	975	9,701
Crops stored on farms .....	2,314	2,698	2,150	1,395	700	337	244	9,838
Total .....	104,386	90,754	72,874	54,999	37,342	27,527	53,963	441,845
	<i>Percent</i>							
Real estate .....	24.3	20.3	16.0	12.2	8.4	6.2	12.6	100.0
Machinery and motor vehicles <sup>1</sup> .....	19.6	22.7	18.6	13.2	8.7	6.2	11.0	100.0
Livestock and poultry .....	14.0	14.8	21.6	18.4	12.5	8.7	10.0	100.0
Crops stored on farms .....	23.5	27.4	21.9	14.2	7.1	3.4	2.5	100.0
Total .....	23.6	20.5	16.5	12.5	8.5	6.2	12.2	100.0
	<i>Percent</i>							
Real estate .....	89.2	85.8	84.3	84.9	85.9	86.9	89.9	86.8
Machinery and motor vehicles <sup>1</sup> .....	7.3	9.6	9.9	9.3	9.0	8.8	7.9	8.8
Livestock and poultry .....	1.3	1.6	2.9	3.3	3.2	3.1	1.8	2.2
Crops stored on farms .....	2.2	3.0	2.9	2.5	1.9	1.2	.4	2.2
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

<sup>1</sup> For farm use only.

## CAPITAL GAINS ON FARM ASSETS



\* MACHINERY AND MOTOR VEHICLES, LIVESTOCK AND POULTRY, AND CROPS STORED ON FARMS.

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Figure 14

Table 26--Capital gains on farm physical assets, 1960-76

Calendar year	Real estate	Machinery and motor vehicles <sup>1</sup>	Livestock and poultry	Crops stored on farms	Total
<i>Million dollars</i>					
1960	2,324	74	270	-321	2,347
1961	7,187	449	449	177	8,262
1962	6,689	590	294	463	8,036
1963	9,046	221	-1,835	464	7,896
1964	9,990	435	-1,336	548	9,637
1965	13,217	501	3,266	-602	16,382
1966	11,601	745	1,167	820	14,333
1967	12,668	1,086	-224	-1,177	12,353
1968	11,695	1,150	1,199	25	14,069
1969	8,191	779	3,010	335	12,315
1970	9,725	1,365	-437	1,154	11,807
1971	18,950	2,148	3,106	-228	23,976
1972	31,195	1,881	6,362	2,720	42,158
1973	65,541	3,282	6,479	6,930	82,232
1974	43,938	9,413	-18,262	3,880	38,969
1975	51,820	8,612	5,945	-6,454	59,923
1976	69,791	6,007	248	1,104	77,150
Total	383,568	38,738	9,701	9,838	441,845

<sup>1</sup> For farm use only.

**Table 27—Capital gains on farm physical assets by value of sales class, 1960-76**

Year	Sales class							
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$4,999	All farms
	<i>Million dollars</i>							
1960	195	289	368	471	384	232	408	2,347
1961	732	1,056	1,368	1,706	1,318	762	1,320	8,262
1962	769	1,115	1,401	1,640	1,195	686	1,230	8,036
1963	761	1,201	1,423	1,534	1,065	608	1,304	7,896
1964	975	1,451	1,738	1,878	1,290	730	1,575	9,637
1965	1,939	2,392	2,929	3,030	2,160	1,333	2,599	16,382
1966	1,846	2,288	2,742	2,523	1,730	1,139	2,065	14,333
1967	1,496	1,898	2,236	2,078	1,489	1,070	2,086	12,353
1968	1,828	2,250	2,681	2,358	1,643	1,195	2,114	14,069
1969	1,875	2,126	2,456	1,939	1,308	1,009	1,602	12,315
1970	1,683	2,116	2,363	1,834	1,225	943	1,643	11,807
1971	4,130	4,279	4,507	3,474	2,391	1,904	3,291	23,976
1972	9,107	8,332	7,603	5,587	3,706	2,858	4,965	42,158
1973	24,346	19,104	12,842	8,256	5,312	4,111	8,261	82,232
1974	10,691	9,229	6,026	3,834	2,503	2,035	4,651	38,969
1975	17,989	13,292	8,854	5,797	3,966	3,221	6,804	59,923
1976	24,024	18,336	11,337	7,060	4,657	3,691	8,045	77,150

### Capital Gains to Farm Operators and Nonoperator Landlords

When capital gains from farm real estate or increases in value due to higher land prices, are divided between farm operators and nonoperator landlords, the relationships for 1976 are very similar to other recent years (fig. 15 and table 30). In total, farm operators capture a little over two-thirds of the asset value gain in farm real estate. The proportions are different, however, by size of farm as determined by value of sales (table 31). The larger farms, those in classes IA, IB and II, have larger acreages but more of that land is rented than is the case on the farms in the smaller classes (class IV, V, and VI). The farm operator portions of the capital gains are less on the larger farms than on the smaller ones.

The proportions of capital gain among the farm size classes have changed since the early 1960's. At that time, about two-thirds of the capital gain on farm real estate occurred on farms with annual sales of under \$20,000 (table 32). However, since 1974 about two-thirds of the farmland capital gains were on farms selling \$20,000 or more of farm products annually.

### Capital Gains and Farm Income

The record \$77.2 billion increase in capital gains on farm physical assets and the \$4.7 billion drop in farm proprietors' total net farm income served to widen the gap between capital gains and farm income (fig. 16). In 1975, gains were \$59.9 billion and income, \$28.9 billion. Neither year matched the \$82.2 billion capital gain and \$39.0 billion proprietors' total net farm income in 1973.

Farm real estate was the prime mover in capital gains in 1976 as in other years since 1960. However, value gains on other physical assets such as crops, livestock, and machinery have also been substantial in many years. Such additions to farm proprietors' wealth, although not nearly as liquid as cash farm income, exist nevertheless. And when the annual gains are compared with total net farm income as in figure 16 the magnitude of capital gains as a wealth component is impressive. In fact, since 1971, total farm capital gains have outstripped total net farm income. In both 1975 and 1976, they moved in opposite directions; gains increased while income dropped.

Since 1960, capital gains on farm physical assets (although unrealized) have totaled \$441.8 billion compared with an accumulated total of \$319.2 billion in total net farm income over the same period. Accumulated total net farm income exceeded accumulated capital gains until 1973. In that year, total net farm income was a record \$39.0 billion but it triggered a \$65.5 billion increase in farm real estate value that caused the accumulated capital gains to total more than total net farm income for the period 1960-73. Total net farm income dropped in 1974, 1975, and 1976 while only in 1974 did capital gains show a smaller rise than in the preceding year.

Appreciation in the value of farm real estate alone during 1976 was close to three times the total net farm income including net rent paid to nonoperator landlords (table 33). The capital gain on land owned by farm operators during 1976 was almost 2½ times their total net farm income. For nonoperator landlords, the capital gain on farmland they rented to farm operators was

Table 28—Capital gains on farm physical assets by value of sales class, 1960-76

Year and asset	Sales class							All farms
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	II \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500	
<i>Million dollars</i>								
1960								
Real estate . . . . .	186	288	376	483	381	223	387	2,324
Machinery and motor vehicles <sup>1</sup> . . . . .	4	9	12	17	15	8	9	74
Livestock and poultry <sup>2</sup> . . . . .	27	29	41	58	51	29	35	270
Crops stored on farms <sup>3</sup> . . . . .	-22	-37	-61	-87	-63	-28	-23	-321
Total . . . . .	195	289	368	471	384	232	408	2,347
1961								
Real estate . . . . .	647	934	1,186	1,459	1,114	654	1,193	7,187
Machinery and motor vehicles <sup>1</sup> . . . . .	23	52	74	103	92	49	56	449
Livestock and poultry <sup>2</sup> . . . . .	48	48	72	97	80	45	59	449
Crops stored on farms <sup>3</sup> . . . . .	14	22	36	47	32	14	12	177
Total . . . . .	732	1,056	1,368	1,706	1,318	762	1,320	8,262
1962								
Real estate . . . . .	655	936	1,144	1,324	963	570	1,097	6,689
Machinery and motor vehicles <sup>1</sup> . . . . .	39	79	109	133	107	55	68	590
Livestock and poultry <sup>2</sup> . . . . .	35	34	49	64	49	27	36	294
Crops stored on farms <sup>3</sup> . . . . .	40	66	99	119	76	34	29	463
Total . . . . .	769	1,115	1,401	1,640	1,195	686	1,230	8,036
1963								
Real estate . . . . .	431	1,321	1,601	1,755	1,239	715	1,484	9,046
Machinery and motor vehicles <sup>1</sup> . . . . .	16	32	44	50	38	19	22	221
Livestock and poultry <sup>2</sup> . . . . .	-226	-218	-321	-391	-288	-160	-231	-1,835
Crops stored on farms <sup>3</sup> . . . . .	40	66	99	120	76	34	29	464
Total . . . . .	761	1,201	1,423	1,534	1,065	608	1,304	7,896
1964								
Real estate . . . . .	1,058	1,459	1,758	1,928	1,339	769	1,679	9,990
Machinery and motor vehicles <sup>1</sup> . . . . .	33	65	87	98	73	37	42	435
Livestock and poultry <sup>2</sup> . . . . .	-171	-158	-232	-282	-202	-112	-179	-1,336
Crops stored on farms <sup>3</sup> . . . . .	55	85	125	134	80	36	33	548
Total . . . . .	975	1,451	1,738	1,878	1,290	730	1,575	9,637
1965								
Real estate . . . . .	1,494	1,996	2,379	2,419	1,705	1,057	2,167	13,217
Machinery and motor vehicles <sup>1</sup> . . . . .	41	77	102	108	77	42	54	501
Livestock and poultry <sup>2</sup> . . . . .	480	421	588	637	457	271	412	3,266
Crops stored on farms <sup>3</sup> . . . . .	-76	-102	-140	-134	-79	-37	-34	-602
Total . . . . .	1,939	2,392	2,929	3,030	2,160	1,333	2,599	16,382
1966								
Real estate . . . . .	1,473	1,845	2,158	1,984	1,381	940	1,820	11,601
Machinery and motor vehicles <sup>1</sup> . . . . .	68	122	160	150	104	61	80	745
Livestock and poultry <sup>2</sup> . . . . .	196	170	226	214	147	90	124	1,167
Crops stored on farms <sup>3</sup> . . . . .	109	151	198	175	98	48	41	820
Total . . . . .	1,846	2,288	2,742	2,523	1,730	1,139	2,065	14,333
1967								
Real estate . . . . .	1,584	1,976	2,344	2,154	1,507	1,063	2,040	12,668
Machinery and motor vehicles <sup>1</sup> . . . . .	100	177	233	215	144	89	128	1,086
Livestock and poultry <sup>2</sup> . . . . .	-40	-33	-43	-40	-27	-17	-24	-224
Crops stored on farms <sup>3</sup> . . . . .	-148	-222	-298	-251	-135	-65	-58	-1,177
Total . . . . .	1,496	1,898	2,236	2,078	1,489	1,070	2,086	12,353
1968								
Real estate . . . . .	1,485	1,860	2,187	1,930	1,357	1,006	1,870	11,695
Machinery and motor vehicles <sup>1</sup> . . . . .	110	191	251	220	146	98	134	1,150
Livestock and poultry <sup>2</sup> . . . . .	230	194	236	203	137	90	109	1,199
Crops stored on farms <sup>3</sup> . . . . .	3	5	7	5	3	1	1	25
Total . . . . .	1,828	2,250	2,681	2,358	1,643	1,195	2,114	14,069

See footnotes at end of table.

Table 28—Capital gains on farm physical assets by value of sales class, 1960-76—Continued

Year and asset	Sales class							
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$9,999	IV \$5,000 to \$4,999	V \$2,500 to \$2,500	VI Less than	All farms
<i>Million dollars</i>								
1969								
Real estate .....	1,114	1,376	1,581	1,270	885	713	1,252	8,191
Machinery and motor vehicles <sup>1</sup> .....	79	139	178	139	90	66	88	779
Livestock and poultry <sup>2</sup> .....	635	536	608	467	301	214	249	3,010
Crops stored on farms <sup>3</sup> .....	47	75	89	63	32	16	13	335
Total .....	1,875	2,126	2,456	1,939	1,308	1,009	1,602	12,315
1970								
Real estate .....	1,459	1,682	1,848	1,459	1,011	807	1,459	9,725
Machinery and motor vehicles <sup>1</sup> .....	149	242	293	229	150	115	187	1,365
Livestock and poultry <sup>2</sup> .....	-100	-80	-86	-65	-41	-30	-35	-437
Crops stored on farms <sup>3</sup> .....	175	272	308	211	105	51	32	1,154
Total .....	1,683	2,116	2,363	1,834	1,225	943	1,643	11,807
1971								
Real estate .....	3,127	3,373	3,525	2,729	1,895	1,535	2,766	18,950
Machinery and motor vehicles <sup>1</sup> .....	260	393	455	350	230	174	286	2,148
Livestock and poultry <sup>2</sup> .....	780	568	587	435	286	205	245	3,106
Crops stored on farms <sup>3</sup> .....	-37	-55	-60	-40	-20	-10	-6	-228
Total .....	4,130	4,279	4,507	3,474	2,391	1,904	3,291	23,976
1972								
Real estate .....	6,364	6,021	5,549	4,087	2,808	2,246	4,210	31,195
Machinery and motor vehicles <sup>1</sup> .....	284	378	382	280	182	140	235	1,881
Livestock and poultry <sup>2</sup> .....	1,896	1,234	1,107	795	509	369	452	6,362
Crops stored on farms <sup>3</sup> .....	563	699	655	425	207	103	68	2,720
Total .....	9,107	8,332	7,603	5,587	3,706	2,858	4,965	42,158
1973								
Real estate .....	19,138	14,812	9,897	6,488	4,326	3,474	7,406	65,541
Machinery and motor vehicles <sup>1</sup> .....	729	801	591	381	243	184	353	3,282
Livestock and poultry <sup>2</sup> .....	2,559	1,412	933	583	363	266	363	6,479
Crops stored on farms <sup>3</sup> .....	1,920	2,079	1,421	804	380	187	139	6,930
Total .....	24,346	19,104	12,842	8,256	5,312	4,111	8,261	82,232
1974								
Real estate .....	14,851	9,754	6,151	3,910	2,592	2,110	4,570	43,938
Machinery and motor vehicles <sup>1</sup> .....	2,221	2,363	1,657	1,035	659	499	979	9,413
Livestock and poultry <sup>2</sup> .....	-7,487	-4,091	-2,557	-1,534	-950	-675	-968	-18,262
Crops stored on farms <sup>3</sup> .....	1,106	1,203	775	423	202	101	70	3,880
Total .....	10,691	9,229	6,026	3,834	2,503	2,035	4,651	38,969
1975								
Real estate .....	15,442	11,815	7,773	5,027	3,368	2,695	5,700	51,820
Machinery and motor vehicles <sup>1</sup> .....	1,964	2,118	1,542	982	620	474	912	8,612
Livestock and poultry <sup>2</sup> .....	2,390	1,308	856	523	327	226	315	5,945
Crops stored on farms <sup>3</sup> .....	-1,807	-1,949	-1,317	-735	-349	-174	-123	-6,454
Total .....	17,989	13,292	8,854	5,797	3,966	3,221	6,804	59,923
1976								
Real estate .....	22,124	16,402	10,049	6,281	4,188	3,350	7,398	69,791
Machinery and motor vehicles <sup>1</sup> .....	1,466	1,530	1,039	643	402	306	613	6,007
Livestock and poultry <sup>2</sup> .....	102	57	35	20	12	9	13	248
Crops stored on farms <sup>3</sup> .....	332	340	214	116	55	26	21	1,104
Total .....	24,024	18,336	11,337	7,060	4,657	3,691	8,045	77,150

<sup>1</sup> For farm use only. <sup>2</sup> Excluding horses and mules. <sup>3</sup> Excludes the change in value of CCC loans.

Table 29—Capital gains on farm physical assets, per farm, by value of sales class, 1960-76

Year	Sales class							All farms
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$4,999	
	<i>Dollars</i>							
1960	8,478	3,211	1,621	948	582	376	221	592
1961	28,154	10,887	5,724	3,460	2,109	1,323	746	2,160
1962	26,517	10,519	5,516	3,327	2,029	1,287	729	2,177
1963	24,548	10,628	5,330	3,124	1,912	1,228	806	2,211
1964	30,469	12,728	6,485	3,896	2,416	1,557	1,011	2,788
1965	53,861	19,136	10,461	6,530	4,252	2,892	1,754	4,881
1966	42,930	16,000	9,020	5,670	3,635	2,492	1,487	4,401
1967	34,791	13,366	7,478	4,821	3,237	2,405	1,554	3,907
1968	40,622	15,101	8,761	5,682	3,743	2,735	1,652	4,581
1969	36,765	12,655	7,442	4,848	3,167	2,314	1,333	4,106
1970	29,526	12,091	7,249	4,715	3,055	2,224	1,390	3,997
1971	65,556	23,641	13,997	9,166	6,131	4,621	2,832	8,242
1972	111,061	40,251	23,759	15,434	10,043	7,328	4,355	14,689
1973	176,420	66,797	39,514	25,640	16,548	12,163	7,416	28,914
1974	71,273	30,560	18,542	12,289	8,074	6,242	4,209	13,770
1975	127,582	46,153	27,497	18,403	12,631	9,761	6,197	21,340
1976	154,994	59,726	35,428	23,378	15,628	11,792	7,428	22,772

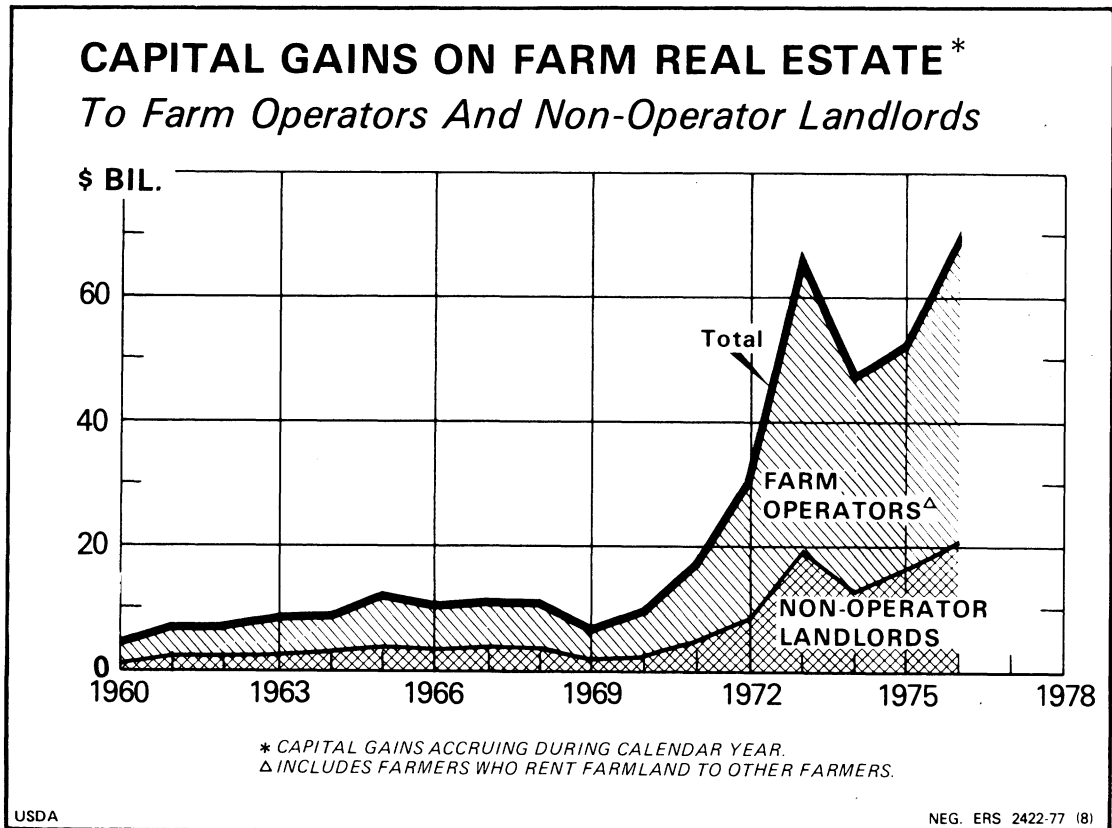


Figure 15

**Table 30- Capital gains on farm real estate accruing to farm operators and nonoperator landlords, by value of sales class, selected years 1960-76**

Year and proprietor	Sales class							
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500	All farms
	<i>Million dollars</i>							
1960								
Farm operators .....	126	184	207	290	259	165	275	1,506
Nonoperator landlords .....	60	104	169	193	122	58	112	818
Total .....	186	288	376	483	381	223	387	2,324
1965								
Farm operators .....	907	1,254	1,512	1,566	1,140	773	1,743	8,895
Nonoperator landlords .....	587	742	867	853	565	284	424	4,322
Total .....	1,494	1,996	2,379	2,419	1,705	1,057	2,167	13,217
1970								
Farm operators .....	962	1,081	1,220	1,018	781	670	1,241	6,973
Nonoperator landlords .....	497	601	628	441	230	137	218	2,752
Total .....	1,459	1,682	1,848	1,459	1,011	807	1,459	9,725
1971								
Farm operators .....	2,060	2,154	2,331	1,910	1,463	1,274	2,358	13,550
Nonoperator landlords .....	1,067	1,219	1,194	819	432	261	408	5,400
Total .....	3,127	3,373	3,525	2,729	1,895	1,535	2,766	18,950
1972								
Farm operator .....	4,202	3,848	3,605	2,853	2,167	1,858	3,584	22,117
Nonoperator landlords .....	2,162	2,173	1,854	1,234	641	388	626	9,078
Total .....	6,364	6,021	5,459	4,087	2,808	2,246	4,210	31,195
1973								
Farm operators .....	12,988	9,929	6,635	4,659	3,482	2,918	6,447	47,058
Nonoperator landlords .....	6,150	4,883	3,262	1,829	844	556	959	18,483
Total .....	19,138	14,812	9,897	6,488	4,326	3,474	7,406	65,541
1974								
Farm operators .....	10,119	6,516	4,135	2,820	2,068	1,754	3,916	31,328
Nonoperator landlords .....	4,732	3,238	2,016	1,090	524	356	654	12,610
Total .....	14,851	9,754	6,151	3,910	2,592	2,110	4,570	43,938
1975								
Farm operators .....	10,506	7,552	5,034	3,502	2,700	2,262	4,925	36,481
Nonoperator landlords .....	4,936	4,263	2,739	1,525	668	433	775	15,339
Total .....	15,442	11,815	7,773	5,027	3,368	2,695	5,700	51,820
1976								
Farm operators .....	14,836	10,361	6,615	4,475	3,308	2,773	6,276	48,644
Nonoperator landlords .....	7,288	6,040	3,434	1,806	880	577	1,122	21,147
Total .....	22,124	16,401	10,049	6,281	4,188	3,350	7,398	69,791

over five times the net rent they received for use of their land.

Comparing incomes to farmland values, the ratio of farm operators' total net farm income to the value of farm real estate they own has consistently been much higher than the ratio of net rent received by nonoperator landlords to the value of the land the landlords own (fig. 17). In 1976, the ratios were 6.7 percent for farm operators and 3.2 percent for nonoperator landlords. Since 1960, the average ratios were 10.6 percent and 3.8 percent, respectively.

Or, to look at it another way, between 1960 and 1976, the value of farm real estate owned by farm operators gained \$210 billion and during that same

period their total net farm income totaled \$275 billion. The ratio of farmland value change to net farm income averaged 76 percent. For nonoperator landlords, the increase in value of farmland they owned was \$86 billion between 1960 and 1976. The total amount of rent they received on the land between 1960 and 1976 was \$44 billion. The ratio of their land value increase to rent received was 195 percent, quite a contrast to the ratio of 76 percent for farm operators. Although there are other reasons for nonoperator landlords to own farmland, it appears that much farm real estate is owned by nonoperator landlords more for the appreciation in value than for current income. And, to a certain extent, the same is probably true for many farm operators.

**Table 31—Percent of capital gains on farm real estate accruing to farm operators and nonoperator landlords, by value of sales class, selected years 1960-76**

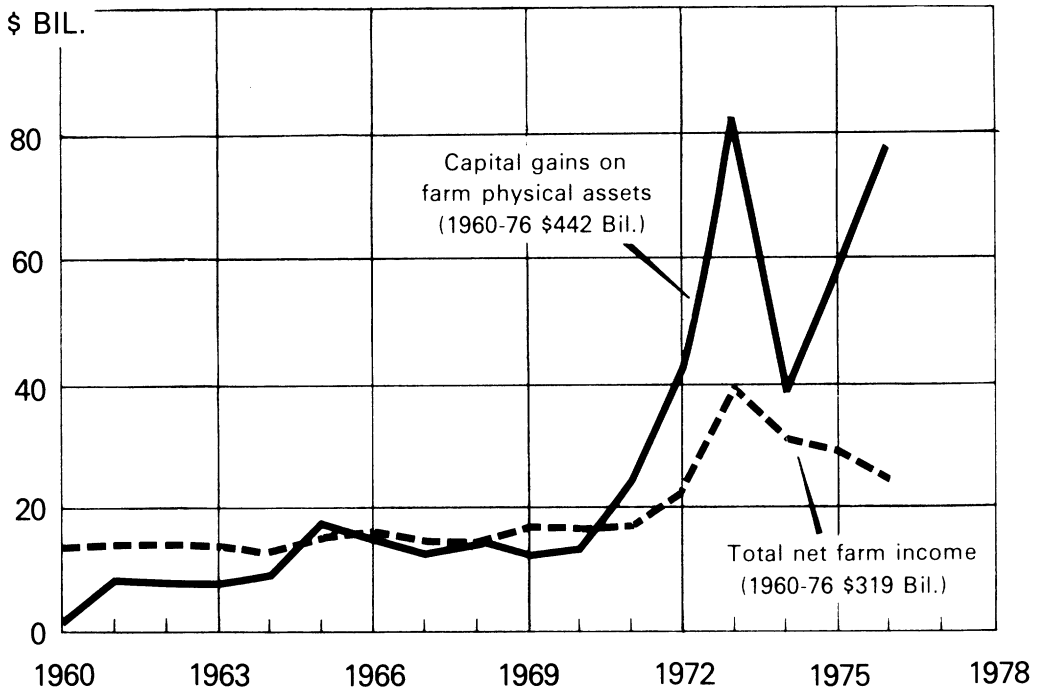
Year and proprietor	Sales class							
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500	All farms
	<i>Percent</i>							
1960								
Farm operators .....	67.7	63.9	55.0	60.0	68.0	74.0	71.1	64.8
Nonoperator landlords .....	37.3	36.1	45.0	40.0	32.0	26.0	28.9	35.2
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1965								
Farm operators .....	60.7	62.8	63.6	64.3	66.9	73.1	80.4	67.3
Nonoperator landlords .....	39.3	37.2	36.4	35.7	33.1	26.9	19.6	32.7
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1970								
Farm operators .....	65.9	64.3	66.0	70.0	77.2	83.0	85.1	71.7
Nonoperator landlords .....	34.1	35.7	34.0	30.0	22.8	17.0	14.9	28.3
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1971								
Farm operators .....	65.9	63.9	66.1	70.0	77.2	83.0	85.2	87.3
Nonoperator landlords .....	34.1	36.1	33.9	30.0	22.8	17.0	14.8	12.7
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972								
Farm operators .....	66.0	63.9	66.0	69.8	77.2	82.7	85.1	70.9
Nonoperator landlords .....	34.0	36.1	34.0	30.2	22.8	17.3	14.9	29.1
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1973								
Farm operators .....	67.9	67.0	67.0	71.8	80.5	84.0	87.0	71.8
Nonoperator landlords .....	32.1	33.0	33.0	28.2	19.5	16.0	13.0	28.2
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1974								
Farm operators .....	68.1	66.8	67.2	72.1	79.8	83.1	85.7	71.3
Nonoperator landlords .....	31.9	33.2	32.8	27.9	20.2	16.9	14.3	28.7
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1975								
Farm operators .....	68.0	63.9	64.8	69.7	80.2	83.9	86.4	70.4
Nonoperator landlords .....	32.0	36.1	35.2	30.3	19.8	16.1	13.6	29.6
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1976								
Farm operators .....	67.1	63.2	65.8	71.2	79.0	82.8	84.8	69.7
Nonoperator landlords .....	32.9	36.8	34.2	28.8	21.0	17.2	15.2	30.3
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0



**Table 32—Capital gains on farm real estate accruing to farm operators and nonoperator landlords, percent of all farms, by value of sales class, selected years 1960-76**

	Sales class							All farms
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$4,500	
	<i>Percent</i>							
1960								
Farm operators .....	8.4	12.2	13.7	19.3	17.2	11.0	18.2	100.0
Nonoperator landlords .....	7.3	12.7	20.7	23.6	14.9	7.1	13.7	100.0
Total .....	8.0	12.4	16.2	20.8	16.4	9.6	16.6	100.0
1965								
Farm operators .....	10.2	14.1	17.0	17.6	12.8	8.7	19.6	100.0
Nonoperator landlords .....	13.6	17.2	20.0	19.7	13.1	6.6	9.8	100.0
Total .....	11.3	15.1	18.0	18.3	12.9	8.0	16.4	100.0
1970								
Farm operators .....	13.8	15.5	17.5	14.6	11.2	9.6	17.8	100.0
Nonoperator landlords .....	18.1	21.8	22.8	16.0	8.4	5.0	7.9	100.0
Total .....	15.0	17.3	19.0	15.0	10.4	8.3	15.0	100.0
1971								
Farm operators .....	15.2	15.9	17.2	14.1	10.8	9.4	17.4	100.0
Nonoperator landlords .....	19.8	22.6	22.1	15.2	8.0	4.8	7.5	100.0
Total .....	16.5	17.8	18.6	14.4	10.0	8.1	14.6	100.0
1972								
Farm operators .....	19.0	17.4	16.3	12.9	9.8	8.4	16.2	100.0
Nonoperator landlords .....	23.8	23.9	20.4	13.6	7.1	4.3	6.9	100.0
Total .....	20.4	19.3	17.5	13.1	9.0	7.2	13.5	100.0
1973								
Farm operators .....	27.6	21.1	14.1	9.9	7.4	6.2	13.7	100.0
Nonoperator landlords .....	33.3	26.4	17.6	9.9	4.6	3.0	5.2	100.0
Total .....	29.2	22.6	15.1	9.9	6.6	5.3	11.3	100.0
1974								
Farm operators .....	32.3	20.8	13.2	9.0	6.6	5.6	12.5	100.0
Nonoperator landlords .....	37.5	25.7	16.0	8.6	4.2	2.8	5.2	100.0
Total .....	33.8	22.2	14.0	8.9	5.9	4.8	10.4	100.0
1975								
Farm operators .....	28.8	20.7	13.8	9.6	7.4	6.2	13.5	100.0
Nonoperator landlords .....	32.2	27.8	17.9	9.9	4.4	2.8	5.0	100.0
Total .....	29.8	22.8	15.0	9.7	6.5	5.2	11.0	100.0
1976								
Farm operators .....	30.5	21.3	13.6	9.2	6.8	5.7	12.9	100.0
Nonoperator landlords .....	34.5	28.6	16.2	8.5	4.2	2.7	5.3	100.0
Total .....	31.7	23.5	14.4	9.0	6.0	4.8	10.6	100.0

## FARM INCOME AND CAPITAL GAINS

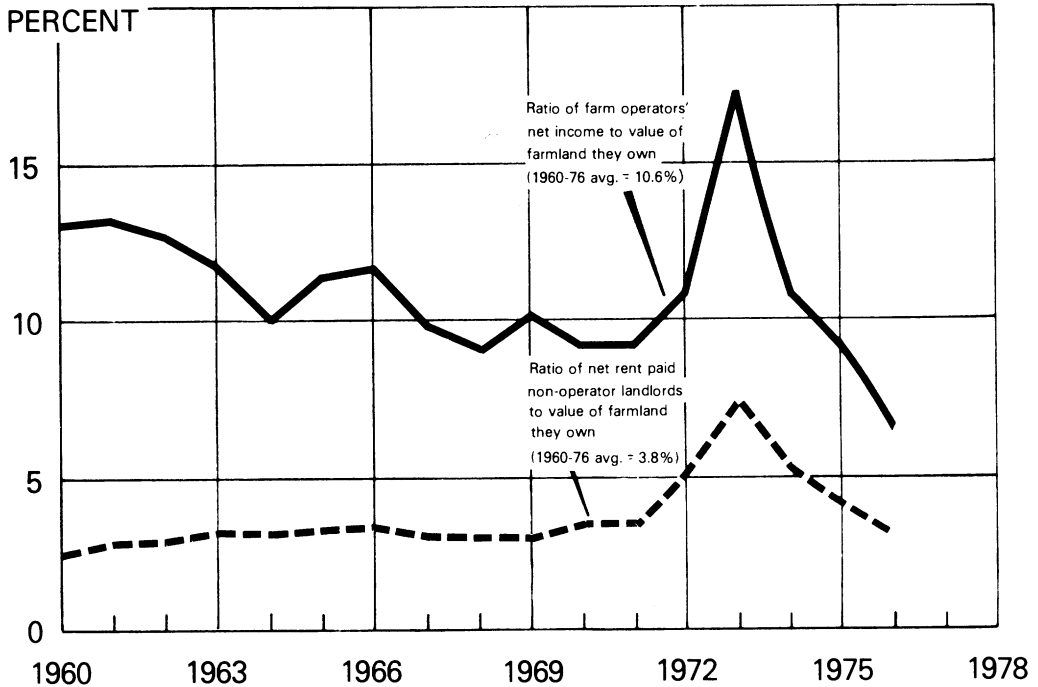


USDA

Figure 16

NEG. ERS 2423-77 (8)

## RATIOS OF INCOME AND RENT TO FARMLAND VALUE



USDA

Figure 17

NEG. ERS 2424-77 (8)

**Table 33—Farm proprietors' farm income and capital gains on farm real estate, 1960-75**

Calendar year	Proprietors' farm income			Capital gain in farmland value			Ratios of:		
	Total net farm income of farm operators	Net rent paid to non-operator landlords	Total	Owned by farm operators	Owned by non-operator landlords	Total	Gain in value of real estate owned by farm operators to net farm income	Gain in value of real estate owned by non-operator landlords to net rent paid to non-operator landlords	Total gain in real estate value to total net farm income
	<i>Million dollars</i>						<i>Percent</i>		
1960 .....	11,518	1,124	12,642	1,506	818	2,324	13.1	72.8	18.4
1961 .....	11,957	1,346	13,303	4,687	2,500	7,187	39.1	185.6	54.0
1962 .....	12,064	1,467	13,531	4,368	2,321	6,689	36.2	158.2	49.4
1963 .....	11,770	1,623	13,393	6,043	3,003	9,046	51.3	185.0	67.5
1964 .....	10,492	1,655	12,147	6,593	3,397	9,990	62.8	216.9	82.2
1965 .....	12,899	1,886	14,785	8,895	4,322	13,217	69.0	229.2	89.4
1966 .....	13,960	2,023	15,983	7,715	3,886	11,601	55.3	192.1	72.6
1967 .....	12,339	1,882	14,221	8,450	4,218	12,668	68.5	224.1	89.1
1968 .....	12,322	1,999	14,321	7,800	3,895	11,695	63.3	194.8	81.7
1969 .....	14,293	2,061	16,354	5,480	2,711	8,191	38.3	131.5	50.0
1970 .....	14,151	2,132	16,283	6,973	2,752	9,725	49.3	129.1	59.7
1971 .....	14,633	2,246	16,879	13,550	5,400	18,950	92.6	240.4	112.3
1972 .....	18,665	3,491	22,156	22,117	9,078	31,195	118.5	260.0	140.8
1973 .....	33,349	5,679	39,028	47,058	18,483	65,541	141.1	325.5	167.9
1974 .....	26,130	5,100	31,230	31,328	12,610	43,938	119.9	247.3	140.7
1975 .....	24,258	4,600	28,858	36,481	15,339	51,820	150.4	333.5	179.6
1976 .....	20,014	4,100	24,114	48,644	21,147	69,791	243.1	515.9	289.5
Total .....	274,814	44,414	319,228	267,688	115,880	383,568	---	---	---
Average .....	---	---	---	---	---	---	97.4	260.9	120.2

### BALANCE SHEET OF THE FARMING SECTOR BY VALUE OF SALES CLASS, 1960, 1965, 1970-76

Balance sheet estimates by value of sales class from 1970 to 1975 have been revised to reflect a realignment of farm number distribution estimates based on preliminary data from the 1974 Census of Agriculture along with information collected in the 1975 and 1976 Farm Production Expenditure Surveys (tables 34-42). Further

adjustment in balance sheet estimates by value of sales class will occur as more complete census information becomes available.

Also involved in the following revisions are the updated data on farm real estate values as explained in the section dealing with farm real estate assets.

Table 34—Balance sheet of the farming sector by value of sales class, January 1, 1960

Item	Sales class								All farms
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500		
<b>Total</b>	<i>Million dollars</i>								
<b>ASSETS</b>									
Physical assets:									
Real estate .....	10,973	17,008	22,220	28,529	22,494	13,168	22,769	137,161	
Nonreal estate:									
Livestock and poultry <sup>1</sup> .....	1,510	1,638	2,339	3,294	2,869	1,635	1,963	15,248	
Machinery and motor vehicles .....	1,137	2,457	3,548	4,981	4,526	2,525	3,571	22,745	
Crops stored on and off farms <sup>2</sup> .....	523	890	1,479	2,091	1,517	688	549	7,737	
Household equipment and furnishings ...	307	633	1,055	1,544	1,544	1,112	3,392	9,587	
Financial assets:									
Deposits and currency .....	1,343	1,222	1,465	1,700	1,308	756	1,374	9,168	
U.S. savings bonds .....	163	359	527	751	751	555	1,557	4,663	
Investments in cooperatives .....	693	644	766	880	630	317	312	4,242	
Total .....	16,649	24,851	33,399	43,770	35,639	20,756	35,487	210,551	
<b>CLAIMS</b>									
Liabilities:									
Real estate debt .....	725	1,691	2,054	2,900	2,054	966	1,692	12,082	
Nonreal estate debt:									
Excluding CCC loans .....	1,844	1,614	2,191	2,421	1,729	807	922	11,528	
CCC loans <sup>3</sup> .....	52	149	236	336	240	97	55	1,165	
Total liabilities .....	2,621	3,454	4,481	5,657	4,023	1,870	2,669	24,775	
Proprietors' equities .....	14,028	21,397	28,918	38,113	31,616	18,886	32,818	185,776	
Total .....	16,649	24,851	33,399	43,770	35,639	20,756	35,487	210,551	
<i>Percent</i>									
Debt to asset ratio .....	15.7	13.9	13.4	12.9	11.3	9.0	7.5	11.8	
<b>Per farm</b>	<i>Dollars</i>								
<b>ASSETS</b>									
Physical assets:									
Real estate .....	477,087	188,978	97,885	57,402	34,082	21,341	12,314	34,610	
Nonreal estate:									
Livestock and poultry <sup>1</sup> .....	65,652	18,200	10,304	6,628	4,347	2,650	1,062	3,848	
Machinery and motor vehicles .....	49,435	27,300	15,630	10,022	6,858	4,092	1,931	5,739	
Crops stored on and off farms <sup>2</sup> .....	22,739	9,889	6,515	4,207	2,298	1,115	297	1,952	
Household equipment and furnishings ...	13,349	7,032	4,648	3,106	2,339	1,803	1,835	2,420	
Financial assets:									
Deposits and currency .....	58,391	13,578	6,454	3,421	1,982	1,225	743	2,313	
U.S. savings bonds .....	7,087	3,989	2,322	1,511	1,138	900	842	1,177	
Investments in cooperatives .....	30,130	7,156	3,374	1,771	955	514	169	1,070	
Total .....	723,870	276,122	147,132	88,068	53,999	33,640	19,193	53,129	
<b>CLAIMS</b>									
Liabilities:									
Real estate debt .....	31,522	18,789	9,048	5,835	3,112	1,566	915	3,049	
Nonreal estate debt:									
Excluding CCC loans .....	80,174	17,933	9,652	4,871	2,620	1,308	499	2,909	
CCC loans <sup>3</sup> .....	2,261	1,656	1,040	676	364	157	30	294	
Total liabilities .....	113,957	38,378	19,740	11,382	6,096	3,031	1,444	6,252	
Proprietors' equities .....	609,913	237,744	127,392	76,686	47,903	30,609	17,749	46,877	
Total .....	723,870	276,122	147,132	88,068	53,999	33,640	19,193	53,129	
<i>Percent</i>									
Debt to asset ratio .....	15.7	13.9	13.4	12.9	11.3	9.0	7.5	11.8	

<sup>1</sup>Excluding horses, mules, and commercial broilers. <sup>2</sup>All crops held on farms including crops under CCC loans and crops held off farms as security for CCC loans to farmers. <sup>3</sup>Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.

Table 35— Balance sheet of the farming sector by value of sales class, January 1, 1965

Item	Sales class							All farms
	IA	IB	II	III	IV	V	VI	
	\$100,000 and over	\$40,000 to \$99,999	\$20,000 to \$39,999	\$10,000 to \$19,999	\$5,000 to \$9,999	\$2,500 to \$4,999	Less than \$2,500	
<i>Million dollars</i>								
<b>Total</b>								
<b>ASSETS</b>								
Physical assets:								
Real estate .....	18,928	25,293	30,150	30,653	21,608	13,400	27,470	167,502
Nonreal estate:								
Livestock and poultry <sup>1</sup> .....	2,124	1,873	2,609	2,830	2,026	1,203	1,829	14,494
Machinery and motor vehicles .....	1,936	3,625	4,791	5,089	3,724	2,160	3,501	24,826
Crops stored on and off farms <sup>2</sup> .....	1,171	1,568	2,126	2,053	1,204	561	523	9,206
Household equipment and furnishings .....	414	802	1,061	1,233	1,069	767	3,277	8,623
Financial assets:								
Deposits and currency .....	1,781	1,416	1,596	1,531	1,063	640	1,551	9,579
U.S. savings bonds .....	189	370	526	665	593	425	1,439	4,206
Investments in cooperatives .....	1,222	995	1,097	1,041	611	292	337	5,595
Total .....	27,765	35,942	43,956	45,095	31,898	19,448	39,927	244,031
<b>CLAIMS</b>								
Liabilities:								
Real estate debt .....	1,889	3,023	3,779	4,346	2,645	1,134	2,078	18,894
Nonreal estate debt:								
Excluding CCC loans .....	3,601	2,782	3,110	2,946	1,800	818	1,309	16,366
CCC loans <sup>3</sup> .....	177	295	366	356	204	85	60	1,543
Total liabilities .....	5,667	6,100	7,255	7,648	4,649	2,037	3,447	36,803
Proprietors' equities .....	22,098	29,842	36,701	37,447	27,249	17,411	36,480	207,228
Total .....	27,765	35,942	43,956	45,095	31,898	19,448	39,927	244,031
<i>Percent</i>								
Debt to asset ratio .....	20.4	17.0	16.5	17.0	14.6	10.5	8.6	15.1
<i>Dollars</i>								
<b>Per farm</b>								
<b>ASSETS</b>								
Physical assets:								
Real estate .....	525,778	202,344	107,679	66,063	42,535	29,067	18,537	49,911
Nonreal estate:								
Livestock and poultry <sup>1</sup> .....	59,000	14,984	9,318	6,099	3,988	2,610	1,234	4,319
Machinery and motor vehicles .....	53,778	29,000	17,111	10,968	7,331	4,686	2,362	7,398
Crops stored on and off farms <sup>2</sup> .....	32,528	12,544	7,593	4,425	2,370	1,217	353	2,743
Household equipment and furnishings .....	11,500	6,416	3,788	2,656	2,104	1,663	2,211	2,570
Financial assets:								
Deposits and currency .....	49,472	11,328	5,700	3,300	2,093	1,388	1,047	2,854
U.S. savings bonds .....	5,250	2,960	1,879	1,433	1,167	922	971	1,253
Investments in cooperatives .....	33,944	7,960	3,918	2,244	1,203	633	227	1,667
Total .....	771,250	287,536	156,986	97,188	62,791	42,186	26,942	72,715
<b>CLAIMS</b>								
Liabilities:								
Real estate debt .....	52,472	24,184	13,496	9,366	5,207	2,460	1,402	5,630
Nonreal estate debt:								
Excluding CCC loans .....	100,028	22,256	11,107	6,349	3,543	1,774	883	4,877
CCC loans <sup>3</sup> .....	4,917	2,360	1,307	767	402	177	40	460
Total liabilities .....	157,417	48,800	25,910	16,482	9,152	4,411	2,325	10,967
Proprietors' equities .....	613,833	238,736	131,076	80,706	53,639	37,775	24,617	61,748
Total .....	771,250	287,536	156,986	97,188	62,791	42,186	26,942	72,715
<i>Percent</i>								
Debt to asset ratio .....	20.4	17.0	16.5	17.0	14.6	10.5	8.6	15.1

<sup>1</sup> Excluding horses, mules, and commercial broilers. <sup>2</sup> All crops held on farms including crops under CCC loans and crops held off farms as security for CCC loans to farmers. <sup>3</sup> Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.

Table 36— Balance sheet of the farming sector by value of sales class, January 1, 1970

Item	Sales class							
	IA \$100,000 and over	IB \$40,000 to \$99,999	I \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500	All farms
<b>Total</b>	<i>Million dollars</i>							
<b>ASSETS</b>								
Physical assets:								
Real estate .....	32,384	37,349	41,020	32,384	22,453	17,919	32,384	215,893
Nonreal estate:								
Livestock and poultry <sup>1</sup> .....	5,372	4,275	4,636	3,476	2,240	1,609	1,872	23,480
Machinery and motor vehicles .....	3,520	5,749	6,944	5,426	3,553	2,713	4,394	32,299
Crops stored on and off farms <sup>2</sup> .....	1,650	2,575	2,913	2,001	989	485	307	10,920
Household equipment and furnishings ...	827	1,251	1,526	1,300	1,083	975	2,886	9,848
Financial assets:								
Deposits and currency .....	2,856	1,959	1,932	1,408	1,007	808	1,921	11,891
U.S. savings bonds .....	307	437	554	475	419	396	1,152	3,740
Investments in cooperatives .....	2,139	1,534	1,458	947	514	286	323	7,201
Total .....	49,055	55,129	60,983	47,417	32,258	25,191	45,239	315,272
<b>CLAIMS</b>								
Liabilities:								
Real estate debt .....	4,669	6,712	6,129	4,669	2,627	1,459	2,918	29,183
Nonreal estate debt:								
Excluding CCC loans .....	6,985	4,234	4,022	2,752	1,482	635	1,058	21,168
CCC loans <sup>3</sup> .....	321	642	750	508	241	134	80	2,676
Total liabilities .....	11,975	11,588	10,901	7,929	4,350	2,228	4,056	53,027
Proprietors' equities .....	37,080	43,541	50,082	39,488	27,908	22,963	41,183	262,245
Total .....	49,055	55,129	60,983	47,417	32,258	25,191	45,239	315,272
<i>Percent</i>								
Debt to asset ratio .....	24.4	21.0	17.9	16.7	13.5	8.8	9.0	16.8
<b>Per farm</b>	<i>Dollars</i>							
<b>ASSETS</b>								
Physical assets:								
Real estate .....	568,140	213,423	125,828	83,249	55,992	42,262	27,398	73,085
Nonreal estate:								
Livestock and poultry <sup>1</sup> .....	94,246	24,429	14,221	8,936	5,586	3,795	1,584	7,948
Machinery and motor vehicles .....	61,754	32,851	21,301	13,949	8,860	6,398	3,717	10,934
Crops stored on and off farms <sup>2</sup> .....	28,947	14,714	8,936	5,144	2,466	1,144	260	3,697
Household equipment and furnishings ...	14,509	7,149	4,681	3,342	2,701	2,300	2,442	3,334
Financial assets:								
Deposits and currency .....	50,105	11,194	5,926	3,619	2,511	1,906	1,625	4,025
U.S. savings bonds .....	5,386	2,497	1,699	1,221	1,045	934	975	1,266
Investments in cooperatives .....	37,526	8,766	4,472	2,434	1,282	674	273	2,438
Total .....	860,613	315,023	187,064	121,894	80,443	59,413	38,274	106,727
<b>CLAIMS</b>								
Liabilities:								
Real estate debt .....	81,912	38,354	18,801	12,002	6,551	3,441	2,469	9,879
Nonreal estate debt:								
Excluding CCC loans .....	122,544	24,194	12,337	7,075	3,696	1,498	895	7,166
CCC loans <sup>3</sup> .....	5,632	3,669	2,301	1,306	601	316	68	906
Total liabilities .....	210,088	66,217	33,439	20,383	10,848	5,255	3,432	17,951
Proprietors' equities .....	650,525	248,806	153,625	101,511	69,595	54,158	34,842	88,776
Total .....	860,613	315,023	187,064	121,894	80,443	59,413	38,274	106,727
<i>Percent</i>								
Debt to asset ratio .....	15.8	21.0	17.9	16.7	13.5	8.8	9.0	16.8

<sup>1</sup> Excluding horses, mules, and commercial broilers. <sup>2</sup> All crops held on farms including crops under CCC loans and crops held off farms as security for CCC loans to farmers. <sup>3</sup> Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.

Table 37—Balance sheet of the farming sector by value of sales class, January 1, 1971

Item	Sales class								All farms
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500		
<i>Million dollars</i>									
<b>Total</b>									
<b>ASSETS</b>									
Physical assets:									
Real estate .....	36,940	39,851	41,642	32,239	22,388	18,134	32,687	223,881	
Nonreal estate:									
Livestock and poultry <sup>1</sup> .....	5,941	4,341	4,484	3,331	2,178	1,556	1,876	23,707	
Machinery and motor vehicles .....	4,159	6,290	7,287	5,603	3,678	2,784	4,571	34,372	
Crops stored on and off farms <sup>2</sup> .....	1,740	2,587	2,801	1,887	934	457	290	10,696	
Household equipment and furnishings .....	863	1,264	1,511	1,305	1,120	1,028	3,188	10,279	
Financial assets:									
Deposits and currency .....	3,162	2,007	1,909	1,400	1,023	851	2,082	12,434	
U.S. savings bonds .....	316	420	506	441	395	380	1,130	3,588	
Investments in cooperatives .....	2,495	1,619	1,469	935	506	281	313	7,618	
Total .....	55,616	58,379	61,609	47,141	32,222	25,471	46,137	326,575	
<b>CLAIMS</b>									
Liabilities:									
Real estate debt .....	6,373	7,283	6,373	4,552	2,428	1,517	1,820	30,346	
Nonreal estate debt:									
Excluding CCC loans .....	8,014	4,230	4,007	2,895	1,336	890	890	22,262	
CCC loans <sup>3</sup> .....	244	469	507	356	169	75	56	1,876	
Total liabilities .....	14,631	11,982	10,887	7,803	3,933	2,482	2,766	54,484	
Proprietors' equities .....	40,985	46,397	50,722	39,338	28,289	22,989	43,371	272,091	
Total .....	55,616	58,379	61,609	47,141	32,222	25,471	46,137	326,575	
<i>Percent</i>									
Debt to asset ratio .....	26.3	20.5	17.7	16.6	12.2	9.7	6.0	16.7	
<i>Dollars</i>									
<b>Per farm</b>									
<b>ASSETS</b>									
Physical assets:									
Real estate .....	586,349	220,171	129,322	85,063	57,405	44,014	28,130	76,961	
Nonreal estate:									
Livestock and poultry <sup>1</sup> .....	94,302	23,983	13,925	8,789	5,585	3,777	1,614	8,150	
Machinery and motor vehicles .....	66,016	34,751	22,630	14,784	9,431	6,757	3,934	11,816	
Crops stored on and off farms <sup>2</sup> .....	27,619	14,293	8,699	4,979	2,395	1,109	250	3,677	
Household equipment and furnishings .....	13,698	6,983	4,693	3,443	2,872	2,495	2,744	3,534	
Financial assets:									
Deposits and currency .....	50,191	11,088	5,929	3,694	2,623	2,066	1,792	4,274	
U.S. savings bonds .....	5,016	2,320	1,571	1,164	1,013	922	972	1,233	
Investments in cooperatives .....	39,603	8,945	4,562	2,467	1,297	682	269	2,619	
Total .....	882,794	322,534	191,331	124,383	82,621	61,822	39,705	112,264	
<b>CLAIMS</b>									
Liabilities:									
Real estate debt .....	101,159	40,238	19,792	12,041	6,226	3,682	1,566	10,432	
Nonreal estate debt:									
Excluding CCC loans .....	127,206	23,370	12,444	7,639	3,426	2,160	766	7,653	
CCC loans <sup>3</sup> .....	3,873	2,591	1,575	939	433	182	48	645	
Total liabilities .....	232,238	66,199	33,811	20,589	10,085	6,024	2,380	18,730	
Proprietors' equities .....	650,556	256,335	157,520	103,794	72,536	55,798	37,325	93,534	
Total .....	882,794	322,534	191,331	124,383	82,621	61,822	39,705	112,264	
<i>Percent</i>									
Debt to asset ratio .....	26.3	20.5	17.7	16.6	12.2	9.7	6.0	16.7	

<sup>1</sup>Excluding horses, mules, and commercial broilers. <sup>2</sup>All crops held on farms including crops under CCC loans and crops held off farms as security for CCC loans to farmers. <sup>3</sup>Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.

Table 38—Balance sheet of the farming sector by value of sales class, January 1, 1972

Item	Sales class								All farms
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500		
<i>Million dollars</i>									
<b>Total</b>									
<b>ASSETS</b>									
Physical assets:									
Real estate .....	49,240	46,585	42,240	31,620	21,723	17,379	32,584	241,371	
Nonreal estate:									
Livestock and poultry <sup>1</sup> .....	8,113	5,284	4,759	3,408	2,191	1,590	1,929	27,274	
Machinery and motor vehicles .....	5,528	7,359	7,432	5,455	3,551	2,709	4,578	36,612	
Crops stored on and off farms <sup>2</sup> .....	2,454	3,047	2,853	1,845	900	444	293	11,836	
Household equipment and furnishings ..	1,467	1,568	1,568	1,277	1,064	974	3,280	11,198	
Financial assets:									
Deposits and currency .....	3,705	2,059	1,801	1,325	1,014	876	2,371	13,151	
U.S. savings bonds .....	320	415	489	430	397	390	1,235	3,676	
Investments in cooperatives .....	2,851	1,697	1,484	920	497	279	320	8,048	
Total .....	73,678	68,014	62,626	46,280	31,337	24,641	46,590	353,166	
<b>CLAIMS</b>									
Liabilities:									
Real estate debt .....	6,764	8,052	6,442	4,509	2,577	1,610	2,254	32,208	
Nonreal estate debt:									
Excluding CCC loans .....	9,611	4,682	4,436	2,957	1,480	739	739	24,644	
CCC loans <sup>3</sup> .....	362	611	588	385	181	90	45	2,262	
Total liabilities .....	16,737	13,345	11,466	7,851	4,238	2,439	3,038	59,114	
Proprietors' equities .....	56,941	54,669	51,160	38,429	27,099	22,202	43,552	294,052	
Total .....	73,678	68,014	62,626	46,280	31,337	24,641	46,590	353,166	
<i>Percent</i>									
Debt to asset ratio .....	22.7	19.6	18.3	17.0	13.5	9.9	6.5	16.7	
<i>Dollars</i>									
<b>Per farm</b>									
<b>ASSETS</b>									
Physical assets:									
Real estate .....	600,488	225,048	132,000	87,348	58,870	44,562	28,582	84,101	
Nonreal estate:									
Livestock and poultry <sup>1</sup> .....	98,939	25,527	14,872	9,414	5,938	4,077	1,692	9,503	
Machinery and motor vehicles .....	67,415	35,551	23,225	15,069	9,623	6,946	4,016	12,757	
Crops stored on and off farms <sup>2</sup> .....	29,927	14,718	8,916	5,097	2,439	1,138	257	4,124	
Household equipment and furnishings ..	17,890	7,575	4,900	3,528	2,883	2,497	2,877	3,902	
Financial assets:									
Deposits and currency .....	45,183	9,947	5,628	3,660	2,748	2,246	2,080	4,582	
U.S. savings bonds .....	3,902	2,005	1,528	1,188	1,076	1,000	1,083	1,281	
Investments in cooperatives .....	34,768	8,198	4,637	2,541	1,347	715	281	2,804	
Total .....	898,512	328,569	195,706	127,845	84,924	63,181	40,868	123,054	
<b>CLAIMS</b>									
Liabilities:									
Real estate debt .....	82,487	38,899	20,131	12,456	6,984	4,128	1,977	11,222	
Nonreal estate debt:									
Excluding CCC loans .....	117,207	22,618	12,862	8,169	4,011	1,895	648	8,587	
CCC loans <sup>3</sup> .....	4,415	2,952	1,838	1,064	491	231	39	788	
Total liabilities .....	204,109	64,469	35,831	21,689	11,486	6,254	2,664	20,597	
Proprietors' equities .....	694,403	264,100	159,875	106,156	73,438	56,927	38,204	102,457	
Total .....	898,512	328,569	195,706	127,845	84,924	63,181	40,868	123,054	
<i>Percent</i>									
Debt to asset ratio .....	22.7	19.6	18.3	17.0	13.5	12.3	6.5	16.7	

<sup>1</sup> Excluding horses, mules, and commercial broilers. <sup>2</sup> All crops held on farms including crops under CCC loans and crops held off farms as security for CCC loans to farmers. <sup>3</sup> Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.



Table 39— Balance sheet of the farming sector by value of sales class, January 1, 1973

Item	Gross sales							
	IA	IB	II	III	IV	V	VI	All farms
	\$100,000 and over	\$40,000 to \$99,999	\$20,000 to \$39,999	\$10,000 to \$19,999	\$5,000 to \$9,999	\$2,500 to \$4,999	Less than \$2,500	
<i>Million dollars</i>								
<b>ASSETS</b>								
Physical assets:								
Real estate .....	79,146	61,257	40,928	26,834	17,889	14,366	30,629	271,049
Nonreal estate:								
Livestock and poultry <sup>1</sup> .....	13,477	7,411	4,892	3,060	1,917	1,404	1,920	34,081
Machinery and motor vehicles .....	8,721	9,585	7,071	4,557	2,907	2,200	4,241	39,282
Crops stored on and off farms <sup>2</sup> .....	4,012	4,338	2,969	1,676	801	395	288	14,479
Household equipment and furnishings ..	3,239	2,113	1,455	1,012	822	746	3,264	12,651
Financial assets:								
Deposits and currencies .....	5,045	2,239	1,586	1,112	874	777	2,391	14,024
U.S. savings bonds .....	547	511	503	419	379	367	1,265	3,991
Investments in cooperatives .....	3,602	1,831	1,391	822	422	251	294	8,633
Total .....	117,789	89,285	60,795	39,492	26,031	20,506	44,292	398,190
<b>CLAIMS</b>								
Liabilities:								
Real estate debt .....	9,655	8,940	6,079	4,291	2,861	1,430	2,502	35,758
Nonreal estate debt:								
Excluding CCC loans .....	12,229	5,281	4,169	3,057	1,390	834	834	27,794
CCC loans <sup>3</sup> .....	430	556	394	215	108	54	36	1,793
Total liabilities .....	22,314	14,777	10,642	7,563	4,359	2,318	3,372	65,345
Proprietors' equities .....	95,475	74,508	50,153	31,929	21,672	18,188	40,920	332,845
Total .....	117,789	89,285	60,795	39,492	26,031	20,506	44,292	398,190
<i>Percent</i>								
Debt to asset ratio .....	18.9	16.6	17.5	19.2	16.7	11.3	7.6	16.4
<i>Dollars</i>								
<b>Per Farm</b>								
<b>ASSETS</b>								
Physical assets:								
Real estate .....	573,522	214,185	125,932	83,335	55,729	42,503	27,495	95,306
Nonreal estate:								
Livestock and poultry <sup>1</sup> .....	97,659	25,913	15,052	9,503	5,971	4,154	1,724	11,983
Machinery and motor vehicles .....	63,196	33,514	21,756	14,152	9,056	6,509	3,807	13,812
Crops stored on and off farms <sup>2</sup> .....	29,072	15,168	9,135	5,205	2,495	1,169	259	5,091
Household equipment and furnishings ..	23,471	7,388	4,477	3,143	2,560	2,207	2,930	4,448
Financial assets:								
Deposits and currency .....	36,558	7,829	4,880	3,453	2,723	2,299	2,146	4,931
U.S. savings bonds .....	3,964	1,787	1,548	1,301	1,181	1,086	1,136	1,403
Investments in cooperatives .....	26,101	6,402	4,280	2,553	1,378	743	264	3,036
Total .....	853,543	312,186	187,060	122,645	81,093	60,670	39,761	140,010
<b>CLAIMS</b>								
Liabilities:								
Real estate debt .....	69,964	31,259	18,705	13,326	8,913	4,231	2,246	12,573
Nonreal estate debt:								
Excluding CCC loans .....	88,616	18,465	12,827	9,494	4,330	2,467	749	9,773
CCC loans <sup>3</sup> .....	3,116	1,944	1,212	668	336	160	32	630
Total liabilities .....	161,696	51,668	32,744	23,488	13,579	6,858	3,027	22,976
Proprietors' equities .....	691,847	260,518	154,316	99,157	67,514	53,812	36,734	117,034
Total .....	853,543	312,186	187,060	122,645	81,093	60,670	39,761	140,010
<i>Percent</i>								
Debt to asset ratio .....	18.9	16.6	17.5	19.2	16.7	11.3	7.6	16.4

<sup>1</sup> Excluding horses, mules, and commercial broilers. <sup>2</sup> All crops held on farms including crops under CCC loans and crops held off farms as security for CCC loans to farmers. <sup>3</sup> Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.

Table 40—Balance sheet of the farming sector by value of sales class, January 1, 1974

Item	Sales class								All farms
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500		
<b>Total</b>	<i>Million dollars</i>								
<b>ASSETS</b>									
Physical assets:									
Real estate .....	113,356	74,453	46,952	29,848	19,787	16,098	34,878	335,372	
Nonreal estate:									
Livestock and poultry <sup>1</sup> .....	17,372	9,472	5,922	3,568	2,218	1,579	2,247	42,378	
Machinery and motor vehicles .....	10,437	11,100	7,783	4,865	3,096	2,344	4,598	44,223	
Crops stored on and off farms <sup>2</sup> .....	6,294	6,845	4,435	2,415	1,142	557	399	22,087	
Household equipment and furnishings ..	3,386	2,189	1,469	1,020	870	816	3,848	13,598	
Financial assets:									
Deposits and currency .....	6,328	2,532	1,482	924	689	609	2,313	14,877	
U.S. savings bonds .....	1,104	633	433	308	267	262	1,159	4,166	
Investments in cooperatives .....	5,118	1,996	1,135	557	294	170	244	9,514	
Total .....	163,395	109,220	69,611	43,505	28,363	22,435	49,686	486,215	
<b>CLAIMS</b>									
Liabilities:									
Real estate debt .....	19,801	10,726	4,125	2,888	1,238	412	2,063	41,253	
Nonreal estate debt:									
Excluding CCC loans .....	17,673	6,105	3,535	2,571	964	643	643	32,134	
CCC loans <sup>3</sup> .....	180	240	159	90	45	22	15	751	
Total liabilities .....	37,654	17,071	7,819	5,549	2,247	1,077	2,721	74,138	
Proprietors' equities .....	125,741	92,149	61,792	37,956	26,116	21,358	46,965	412,077	
Total .....	163,395	109,220	69,611	43,505	28,363	22,435	49,686	486,215	
<i>Percent</i>									
Debt to asset ratio .....	23.0	15.6	11.2	12.8	7.9	4.8	5.5	15.2	
<b>Per farm</b>	<i>Dollars</i>								
<b>ASSETS</b>									
Physical assets:									
Real estate .....	755,707	246,533	144,468	95,667	63,829	49,380	31,564	118,506	
Nonreal estate:									
Livestock and poultry <sup>1</sup> .....	115,813	31,364	18,222	11,436	7,155	4,844	2,033	14,974	
Machinery and motor vehicles .....	69,580	36,755	23,948	15,593	9,987	7,190	4,161	15,626	
Crops stored on and off farms <sup>2</sup> .....	41,960	22,666	13,646	7,740	3,684	1,709	361	7,805	
Household equipment and furnishings ..	22,573	7,248	4,520	3,269	2,806	2,503	3,482	4,805	
Financial assets:									
Deposits and currency .....	42,187	8,384	4,560	2,962	2,222	1,868	2,093	5,257	
U.S. savings bonds .....	7,360	2,096	1,332	987	861	804	1,049	1,472	
Investments in cooperatives .....	34,119	6,609	3,492	1,785	948	521	221	3,362	
Total .....	1,089,299	361,655	214,188	139,439	91,492	68,819	44,964	171,807	
<b>CLAIMS</b>									
Liabilities:									
Real estate debt .....	132,007	35,517	12,692	9,256	3,994	1,264	1,867	14,577	
Nonreal estate debt:									
Excluding CCC loans .....	117,820	20,215	10,877	8,240	3,110	1,972	582	11,355	
CCC loans <sup>3</sup> .....	1,200	795	489	288	145	67	14	265	
Total liabilities .....	251,027	56,527	24,058	17,784	7,249	3,303	2,463	26,197	
Proprietors' equities .....	838,272	305,128	190,130	121,655	84,243	65,516	42,501	145,610	
Total .....	1,089,299	361,655	214,188	139,439	91,492	68,819	44,964	171,807	
<i>Percent</i>									
Debt to asset ratio .....	23.0	15.6	11.2	12.8	7.9	4.8	5.5	15.2	

<sup>1</sup> Excluding horses, mules, and commercial broilers. <sup>2</sup> All crops held on farms including crops under CCC loans and crops held off farms as security for CCC loans to farmers. <sup>3</sup> Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.

Table 41—Balance sheet of the farming sector by value of sales class, January 1, 1975

Item	Sales class							
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500	All farms
<i>Million dollars</i>								
<b>Total</b>								
<b>ASSETS</b>								
Physical assets:								
Real estate .....	112,842	86,336	56,800	36,731	24,613	19,691	41,653	378,666
Nonreal estate:								
Livestock and poultry <sup>1</sup> .....	9,871	5,413	3,530	2,157	1,345	946	1,308	24,570
Machinery and motor vehicles <sup>2</sup> .....	12,709	13,713	9,978	6,355	4,013	3,066	5,908	55,742
Crops stored on and off farms <sup>2</sup> .....	6,525	7,030	4,752	2,652	1,257	616	442	23,274
Household equipment and furnishings ..	2,879	2,266	1,654	1,240	1,118	1,087	5,068	15,312
Financial assets:								
Deposits and currency .....	6,175	2,504	1,466	921	713	644	2,637	15,060
U.S. savings bonds .....	1,117	632	416	299	273	273	1,321	4,331
Investments in cooperatives .....	5,823	2,192	1,196	555	298	174	275	10,513
Total .....	157,941	120,086	79,792	50,910	33,630	26,497	58,612	527,468
<b>CLAIMS</b>								
Liabilities:								
Real estate debt .....	23,607	11,572	4,166	2,777	1,389	463	2,314	46,288
Nonreal estate debt:								
Excluding CCC loans .....	19,727	6,693	3,523	2,818	1,057	704	704	35,226
CCC loans <sup>3</sup> .....	77	99	70	38	19	10	6	319
Total liabilities .....	43,411	18,364	7,759	5,633	2,465	1,177	3,024	81,833
Proprietors' equities .....	114,530	101,722	72,033	45,277	31,165	25,320	55,588	445,635
Total .....	157,941	120,086	79,792	50,910	33,630	26,497	58,612	527,468
<i>Percent</i>								
Debt to asset ratio .....	27.5	15.3	9.7	11.1	7.3	4.4	5.2	15.5
<i>Dollars</i>								
<b>Per farm</b>								
<b>ASSETS</b>								
Physical assets:								
Real estate .....	800,298	299,778	176,398	116,606	78,385	59,670	37,935	134,853
Nonreal estate:								
Livestock and poultry <sup>1</sup> .....	70,007	18,795	10,963	6,848	4,283	2,867	1,191	8,750
Machinery and motor vehicles .....	90,135	47,615	30,988	20,175	12,780	9,291	5,381	19,851
Crops stored on and off farms <sup>2</sup> .....	46,277	24,410	14,758	8,419	4,003	1,867	403	8,288
Household equipment and furnishings ..	20,418	7,868	5,137	3,937	3,561	3,294	4,616	5,453
Financial assets:								
Deposits and currency .....	43,794	8,694	4,553	2,924	2,271	1,952	2,402	5,363
U.S. savings bonds .....	7,922	2,194	1,292	949	869	827	1,203	1,542
Investments in cooperatives .....	41,298	7,611	3,714	1,762	949	527	250	3,744
Total .....	1,120,149	416,965	247,803	161,620	107,101	80,295	53,381	187,844
<b>CLAIMS</b>								
Liabilities:								
Real estate debt .....	167,426	40,181	12,938	8,816	4,424	1,403	2,107	16,484
Nonreal estate debt:								
Excluding CCC loans .....	139,908	23,240	10,941	8,946	3,366	2,133	641	12,545
CCC loans <sup>3</sup> .....	546	344	217	121	61	30	5	114
Total liabilities .....	307,880	63,765	24,096	17,883	7,851	3,566	2,753	29,143
Proprietors' equities .....	812,269	353,200	223,707	143,737	99,250	76,729	50,628	158,701
Total .....	1,120,149	416,965	247,803	161,620	107,101	80,295	53,381	187,844
<i>Percent</i>								
Debt to asset ratio .....	27.5	15.3	9.7	11.1	7.3	4.4	5.2	15.5

<sup>1</sup> Excluding horses, mules, and commercial broilers. <sup>2</sup> All crops held on farms including crops under CCC loans and crops held off farms as security for CCC loans to farmers. <sup>3</sup> Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.

Table 42—Balance sheet of the farming sector by value of sales class, January 1, 1976

Item	Sales class								All farms
	IA \$100,000 and over	IB \$40,000 to \$99,999	II \$20,000 to \$39,999	III \$10,000 to \$19,999	IV \$5,000 to \$9,999	V \$2,500 to \$4,999	VI Less than \$2,500		
<i>Million dollars</i>									
<b>Total</b>									
<b>ASSETS</b>									
Physical assets:									
Real estate .....	136,011	100,829	61,784	38,615	25,743	20,595	45,481	429,058	
Nonreal estate:									
Livestock and poultry <sup>1</sup> .....	12,175	6,788	4,139	2,417	1,480	1,020	1,494	29,513	
Machinery and motor vehicles .....	15,868	16,649	11,251	6,959	4,357	3,317	6,633	65,034	
Crops stored on and off farms <sup>2</sup> .....	6,414	6,548	4,141	2,232	1,055	519	396	21,305	
Household equipment and furnishings ..	3,100	2,451	1,704	1,250	1,137	1,120	5,468	16,230	
Financial assets:									
Deposits and currency .....	5,927	2,470	1,480	967	809	756	3,211	15,620	
U.S. savings bonds .....	860	587	428	326	318	326	1,567	4,412	
Investments in cooperatives .....	6,258	2,468	1,357	657	353	212	371	11,676	
Total .....	186,613	138,790	86,284	53,423	35,252	27,865	64,621	592,848	
<b>CLAIMS</b>									
Liabilities:									
Real estate debt .....	22,470	13,278	5,618	3,575	1,532	1,021	3,575	51,069	
Nonreal estate debt:									
Excluding CCC loans .....	21,673	7,487	4,335	3,153	1,182	788	788	39,406	
CCC loans <sup>3</sup> .....	93	115	75	39	18	11	7	358	
Total liabilities .....	44,236	20,880	10,028	6,767	2,732	1,820	4,370	90,833	
Proprietors' equities .....	142,377	117,910	76,256	46,656	32,520	26,045	60,251	502,015	
Total .....	186,613	138,790	86,284	53,423	35,252	27,865	64,621	592,848	
<i>Percent</i>									
Debt to asset ratio .....	23.7	15.0	11.6	12.7	7.7	6.5	6.8	15.3	
<i>Dollars</i>									
<b>Per farm</b>									
<b>ASSETS</b>									
Physical assets:									
Real estate .....	877,490	328,433	193,075	127,864	86,386	65,799	41,955	154,449	
Nonreal estate:									
Livestock and poultry <sup>1</sup> .....	78,548	22,111	12,934	8,003	4,966	3,259	1,380	10,624	
Machinery and motor vehicles .....	102,374	54,231	35,159	23,043	14,621	10,597	6,125	23,410	
Crops stored on and off farms <sup>2</sup> .....	41,381	21,329	12,941	7,391	3,540	1,658	365	7,669	
Household equipment and furnishings ..	20,000	7,984	5,325	4,139	3,815	3,578	5,049	5,842	
Financial assets:									
Deposits and currency .....	38,239	8,046	4,625	3,202	2,715	2,415	2,965	5,623	
U.S. savings bonds .....	5,549	1,912	1,337	1,079	1,067	1,041	1,447	1,588	
Investments in cooperatives .....	40,374	8,039	4,240	2,176	1,184	677	342	4,203	
Total .....	1,203,955	452,085	269,636	176,897	118,294	89,024	59,628	213,408	
<b>CLAIMS</b>									
Liabilities:									
Real estate debt .....	144,968	43,251	17,556	11,838	5,140	3,262	3,301	18,384	
Nonreal estate debt:									
Excluding CCC loans .....	139,826	24,388	13,547	10,440	3,966	2,518	728	14,185	
CCC loans <sup>3</sup> .....	600	374	234	129	60	35	6	128	
Total liabilities .....	285,394	68,013	31,337	22,407	9,166	5,815	4,035	32,697	
Proprietors' equities .....	918,561	384,072	238,299	154,490	109,128	83,209	55,593	180,711	
Total .....	1,203,955	452,085	269,636	176,897	118,294	89,024	59,628	213,408	
<i>Percent</i>									
Debt to asset ratio .....	23.7	15.0	11.6	12.7	7.8	6.5	6.8	15.3	

<sup>1</sup> Excluding horses, mules, and commercial broilers. <sup>2</sup> All crops held on farms including crops under CCC loans and crops held off farms as security for CCC loans to farmers. <sup>3</sup> Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet.

Table 43—Balance Sheet of the Farming Sector, January 1, 1940-77<sup>1</sup>

Item	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
	<i>Billion dollars</i>																		
<b>ASSETS</b>																			
Physical assets:																			
Real estate . . . . .	33.6	34.4	37.5	41.6	48.2	53.9	61.0	68.5	73.7	76.6	77.6	89.5	98.5	100.1	98.7	102.2	107.5	115.7	121.8
Non-real estate:																			
Livestock <sup>2</sup> . . . . .	5.1	5.3	7.1	9.6	9.7	9.0	9.7	11.9	13.3	14.4	12.9	17.1	19.5	14.8	11.7	11.2	10.6	11.0	13.9
Machinery and motor vehicles . . . . .	3.1	3.3	4.0	4.9	5.4	6.5	5.4	5.3	7.4	10.1	12.2	14.1	16.7	17.4	18.4	18.6	19.3	20.2	20.2
Crops stored on and off-farms <sup>3</sup> . . . . .	2.7	3.0	3.8	5.1	6.1	6.7	6.3	7.1	9.0	8.6	7.6	7.9	8.8	9.0	9.2	9.6	8.4	8.3	7.6
Household equipment and furnishings . . . . .	4.2	4.2	4.9	5.0	5.3	5.6	6.1	7.7	8.5	9.1	8.6	9.7	10.3	9.9	9.9	10.0	10.5	10.0	9.9
Financial asset:																			
Deposits and currency . . . . .	3.2	3.5	4.2	5.4	6.6	7.9	9.4	10.2	9.9	9.6	9.1	9.1	9.4	9.4	9.4	9.4	9.5	9.4	9.5
U.S. savings bonds . . . . .	.2	.4	.5	1.1	2.2	3.4	4.2	4.2	4.4	4.6	4.7	4.7	4.7	4.6	4.7	5.0	5.2	5.1	5.1
Investments in cooperatives . . . . .	.8	.9	.9	1.0	1.1	1.2	1.4	1.5	1.7	1.9	2.0	2.3	2.5	2.7	2.9	3.1	3.2	3.5	3.7
<b>Total<sup>4</sup> . . . . .</b>	<b>52.9</b>	<b>55.0</b>	<b>62.9</b>	<b>73.7</b>	<b>84.6</b>	<b>94.2</b>	<b>103.5</b>	<b>116.4</b>	<b>127.9</b>	<b>134.9</b>	<b>134.7</b>	<b>154.4</b>	<b>170.4</b>	<b>168.0</b>	<b>164.9</b>	<b>169.1</b>	<b>174.1</b>	<b>183.2</b>	<b>191.6</b>
<b>CLAIMS</b>																			
Liabilities:																			
Real estate debt . . . . .	6.6	6.5	6.4	6.0	5.4	4.9	4.8	4.9	5.1	5.3	5.6	6.1	6.7	7.2	7.7	8.2	9.0	9.8	10.4
Non-real estate debt to:																			
CCC <sup>5</sup> . . . . .	.4	.6	.6	.8	.6	.7	.3	.1	.1	1.2	1.7	.8	.6	1.2	2.4	2.2	1.9	1.5	1.2
Other reporting institutions <sup>6</sup> . . . . .	1.5	1.6	1.8	1.7	1.7	1.6	1.7	2.0	2.3	2.7	2.8	3.3	4.1	4.2	3.7	4.0	4.4	4.5	5.0
Nonreporting creditors <sup>7</sup> . . . . .	1.5	1.7	1.7	1.5	1.2	1.1	1.2	1.5	1.8	2.2	2.3	2.8	3.3	3.5	3.1	3.2	3.5	3.5	3.8
<b>Total liabilities<sup>4</sup> . . . . .</b>	<b>10.0</b>	<b>10.4</b>	<b>10.5</b>	<b>10.0</b>	<b>8.9</b>	<b>8.3</b>	<b>8.0</b>	<b>8.5</b>	<b>9.3</b>	<b>11.4</b>	<b>12.4</b>	<b>13.0</b>	<b>14.7</b>	<b>16.1</b>	<b>16.9</b>	<b>17.6</b>	<b>18.8</b>	<b>19.3</b>	<b>20.4</b>
Proprietors' equities . . . . .	42.9	44.6	52.4	63.7	75.7	85.9	95.5	107.9	118.6	123.5	122.3	141.4	155.7	151.9	148.0	151.4	155.3	163.8	171.2
<b>Total<sup>4</sup> . . . . .</b>	<b>52.9</b>	<b>55.0</b>	<b>62.9</b>	<b>73.7</b>	<b>84.6</b>	<b>94.2</b>	<b>103.5</b>	<b>116.4</b>	<b>127.9</b>	<b>134.9</b>	<b>134.7</b>	<b>154.4</b>	<b>170.4</b>	<b>168.0</b>	<b>164.9</b>	<b>169.1</b>	<b>174.1</b>	<b>183.2</b>	<b>191.6</b>
	<i>Percent</i>																		
Debt to asset ratio <sup>8</sup> . . . . .	18.9	19.1	16.6	13.4	10.5	8.9	7.6	7.2	7.2	8.4	9.2	8.4	8.6	9.6	10.3	10.4	10.8	10.6	10.6

See footnotes at end of table.

Table 43—Balance Sheet of the Farming Sector, January 1, 1940-77<sup>1</sup>—Continued

Item	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977
	<i>Billion dollars</i>																		
<b>ASSETS</b>																			
Physical assets:																			
Real estate . . . . .	131.1	137.2	138.5	144.5	150.2	158.6	167.5	179.2	189.1	199.7	209.2	215.9	223.9	241.4	271.0	335.4	378.7	429.1	497.2
Nonreal estate:																			
Livestock <sup>2</sup> . . . . .	17.7	15.3	15.6	16.4	17.3	15.9	14.5	17.6	19.0	18.8	20.2	23.5	23.7	27.3	34.1	42.4	24.6	29.5	29.1
Machinery and motor vehicles . . . . .	21.8	22.7	22.2	22.5	23.5	23.9	24.8	26.0	27.4	29.8	31.3	32.3	34.4	36.6	39.3	44.2	55.7	65.0	72.3
Crops stored on and off-farms <sup>3</sup> . . . . .	9.3	7.7	8.0	8.8	9.3	9.8	9.2	9.7	10.0	9.6	10.6	10.9	10.7	11.8	14.5	22.1	23.3	21.3	21.8
Household equipment and furnishings . . . . .	9.8	9.6	8.9	9.1	9.0	8.8	8.6	8.6	8.5	9.2	9.7	9.8	10.3	11.2	12.7	13.6	15.3	16.2	17.4
Financial assest:																			
Deposits and currency . . . . .	10.0	9.2	8.7	8.8	9.2	9.2	9.6	10.0	10.3	10.9	11.5	11.9	12.4	13.2	14.0	14.9	15.1	15.6	15.9
U.S. savings bonds . . . . .	5.2	4.7	4.6	4.5	4.4	4.2	4.2	4.1	3.9	3.8	3.8	3.7	3.6	3.7	4.0	4.1	4.3	4.4	4.4
Investments in cooperatives . . . . .	3.9	4.2	4.5	4.9	5.0	5.4	5.6	5.9	6.2	6.5	6.8	7.2	7.6	8.0	8.6	9.5	10.5	11.7	12.8
<b>Total<sup>4</sup> . . . . .</b>	<b>208.8</b>	<b>210.6</b>	<b>211.1</b>	<b>219.5</b>	<b>227.9</b>	<b>235.8</b>	<b>244.0</b>	<b>261.1</b>	<b>274.4</b>	<b>288.3</b>	<b>303.1</b>	<b>315.3</b>	<b>326.6</b>	<b>353.2</b>	<b>398.2</b>	<b>486.2</b>	<b>527.5</b>	<b>592.8</b>	<b>670.9</b>
<b>CLAIMS</b>																			
Liabilities:																			
Real estate debt . . . . .	11.1	12.0	12.8	13.8	15.1	16.8	18.9	21.2	23.1	25.1	27.4	29.2	30.3	32.2	35.7	41.3	46.3	51.1	56.4
Nonreal estate debt to:																			
CCC <sup>5</sup> . . . . .	2.5	1.2	1.4	1.9	2.1	1.9	1.6	1.4	1.2	1.4	2.7	2.7	1.9	2.3	1.8	.7	.3	.3	1.0
Other reporting institutions <sup>6</sup> . . . . .	5.7	6.7	7.0	7.6	8.5	9.5	10.0	11.1	12.4	13.8	14.6	15.8	17.4	19.6	22.0	26.2	29.2	33.1	37.8
Nonreporting creditors <sup>7</sup> . . . . .	4.3	4.9	5.0	5.2	5.7	6.2	6.3	7.0	7.4	7.1	5.8	5.3	4.8	5.0	5.8	5.9	6.0	6.3	6.9
<b>Total liabilities<sup>4</sup> . . . . .</b>	<b>23.6</b>	<b>24.8</b>	<b>26.2</b>	<b>28.5</b>	<b>31.4</b>	<b>34.4</b>	<b>36.8</b>	<b>40.7</b>	<b>44.1</b>	<b>47.4</b>	<b>50.5</b>	<b>53.0</b>	<b>54.4</b>	<b>59.1</b>	<b>65.3</b>	<b>74.1</b>	<b>81.8</b>	<b>90.8</b>	<b>102.1</b>
Proprietors' equities . . . . .	185.2	185.8	184.9	191.1	196.5	201.4	207.2	220.4	230.4	240.9	252.6	262.3	272.1	294.1	332.9	412.1	445.7	502.0	568.8
<b>Total<sup>4</sup> . . . . .</b>	<b>208.8</b>	<b>210.6</b>	<b>211.1</b>	<b>219.5</b>	<b>227.9</b>	<b>235.8</b>	<b>244.0</b>	<b>261.1</b>	<b>274.4</b>	<b>288.3</b>	<b>303.1</b>	<b>315.3</b>	<b>326.6</b>	<b>353.2</b>	<b>398.2</b>	<b>486.2</b>	<b>527.5</b>	<b>592.8</b>	<b>670.9</b>
	<i>Percent</i>																		
Debt to asset ratio <sup>8</sup> . . . . .	11.3	11.8	12.4	13.0	13.8	14.6	15.1	15.6	16.0	16.4	16.6	16.8	16.7	16.7	16.4	15.2	15.5	15.3	15.2

<sup>1</sup> Revised beginning with 1950. Includes Alaska and Hawaii Beginning with 1960. <sup>2</sup> Beginning with 1961, horses and mules are excluded. <sup>3</sup> Includes all crops held on farms and crops held off farms by farmers as security for CCC loans. On Jan. 1, 1977, the latter totaled \$397 million. <sup>4</sup> Totals of rounded data. <sup>5</sup> Nonrecourse CCC loans secured by crops owned by farmers. These crops are included as assets in this balance sheet. <sup>6</sup> Loans of all operating banks, production credit associations, the Farmers Home Administration, and discounts of the Federal Intermediate credit banks for agricultural credit corporations and livestock loan companies. <sup>7</sup> Loans and credit extended by dealers, merchants, finance companies, individuals, and others. <sup>8</sup> Computed from unrounded data.