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Facts on Farming You Should Know

A REVIEW of the business of agriculture in "Midwest Focus," a publication of Midwest Research Institute, Kansas City, points up some facts about farming that city people ought to know.

"Although agriculture is among the oldest and most basic of our industries, its importance to the overall economy is not fully appreciated by many," writes Dr. Sheldon W. Stahl, MRI's senior adviser for economics. "Yet, its statistics are impressive."

This country's food and agricultural system accounts for more than 22 percent of U.S. employment and over one-fifth of this nation's gross national product.

In a recent year farmers produced more than \$70 billion worth of food and fiber. By the time this output had reached the ultimate consumers, Stahl said, other sectors of the food and agricultural industry had added \$415 billion to its initial value.

"In effect, for every dollar's worth of output created by production agriculture, six additional dollars of

value were created in the economy," Stahl observed.

This is remarkable in view of the steady decline in the number of people directly engaged in production agriculture for the past half century. In 1929 about 21 per cent of the labor force worked in farming, compared to only 3 per cent now.

The effect the output of 3.4 million people directly engaged in farming has on the total employment picture is amazing.

Statistics show they create an additional 20 million jobs.

These include 1.7 million jobs in food processing, 5 million in manufacturing, 2.5 million supplying resources to farming, 7.6 million in transportation, wholesaling and retailing, and 3.3 million in eating establishments.

"In spite of the disparity between the value of the raw agricultural products and the final value at consumption, Americans spend less of their personal incomes on food than do the citizens of virtually any other

developed country," Stahl says.

"Additionally, the relatively low share of disposable income that Americans spend on food means that a greater share of financial resources is freed up for savings, investments, or other productive purposes," the economist writes.

Farm assets total approximately \$1 trillion, amounting to about the equivalent of 70 per cent of the capital assets of all manufacturing corporations in the United States.

About one-third of total cropland production goes to foreign markets. The United States accounts for about 55 percent of total world grain exports, 52 percent of total world grain exports, 52 per cent of world soybean exports, and 29 per cent of world cotton exports.

"Society does not get its food and fiber more efficiently produced from fewer but larger farms than from a much larger number of farmers which, though smaller in size, are optimally efficient," Stahl says. We depend upon farmers for a lot more than our food.

City Folks Should Know Farming Facts

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