

Not only did the upper economic classes of farms have the greatest value of sales per man-equivalent of labor; they also had the largest capital investment and the largest amounts of total specified expenses per man-equivalent of labor. For example, in the case of livestock farms, Class I farms obtained an average of \$21,201 value of farm products sold per man-equivalent of labor, while the total capital investment on these farms averaged \$54,168, and the total specified expenses averaged \$6,192 per man-equivalent. At the other extreme, Class VI livestock farms averaged only \$937 in value of farm products sold per man-equivalent. The average total investment on Class VI livestock farms was only \$13,645, and the average total specified expenses was only \$566 per man-equivalent of labor.

The acreage of land per man-equivalent worker was greater on the upper than on the lower economic classes of farms. The ratio of tractors to men was greater also on the upper economic classes of farms with the exception of Class I farms where the ratio was smaller than on the Class II farms.

PRODUCTION PER UNIT OF CAPITAL

Value of all farm products sold in relation to amount of capital invested or used in the farm business is another useful indicator of efficiency. Data on value of farm products sold per thousand dollars of total investment and per dollar of specified expenses are shown for Corn Belt farms in tables 97 and 98.

The value of all farm products sold per thousand dollars of total investment on all commercial farms in the Corn Belt in 1954 was \$195. The average for cash-grain farms was \$161, and the average for livestock farms was \$221. Livestock farms had a

TABLE 97.—VALUE OF FARM PRODUCTS SOLD PER THOUSAND DOLLARS CAPITAL INVESTMENT AND PER DOLLAR OF SPECIFIED EXPENSES, BY TYPE OF FARM, IN THE CORN BELT AND COMPONENT REGIONS: 1954

Region and type of farm	Value of all farm products sold	
	Per thousand dollars of total investment <sup>1</sup>	Per dollar of 6 specified expenses <sup>2</sup>
	<i>Dollars</i>	<i>Dollars</i>
Total Corn Belt:	195	3.24
All commercial farms.....	161	4.04
Cash-grain farms.....	221	3.07
Livestock farms <sup>3</sup> .....		
Eastern Corn Belt:	192	3.03
All commercial farms.....	169	3.74
Cash-grain farms.....	207	2.82
Livestock farms <sup>3</sup> .....		
Central Corn Belt:	183	3.57
All commercial farms.....	145	4.42
Cash-grain farms.....	220	3.27
Livestock farms <sup>3</sup> .....		
Northern Corn Belt:	222	3.48
All commercial farms.....	194	4.22
Cash-grain farms.....	242	3.48
Livestock farms <sup>3</sup> .....		
Western Corn Belt:	202	3.35
All commercial farms.....	165	4.26
Cash-grain farms.....	230	3.17
Livestock farms <sup>3</sup> .....		
Southern Corn Belt:	190	2.62
All commercial farms.....	166	3.27
Cash-grain farms.....	205	2.62
Livestock farms <sup>3</sup> .....		

<sup>1</sup> Per thousand dollars of investment in land and buildings, machinery and equipment, and livestock.

<sup>2</sup> Per dollar of expenditures for machine hire, hired labor, feed, gasoline and other petroleum fuel and oil, commercial fertilizer and fertilizing material, and lime and liming material.

<sup>3</sup> Livestock other than dairy and poultry farms.

greater value of sales per thousand dollars of investment than did cash-grain farms in every region of the Corn Belt. The highest value of sales per thousand dollars of investment was on livestock farms in the Northern Corn Belt (\$242), and the lowest was on cash-grain farms in the Central Corn Belt (\$145). Cash-grain farms in the Northern Corn Belt showed up relatively higher in returns to total capital investment than they did in returns per man-equivalent of labor.

The average value of farm products sold per dollar of 6 specified expenses was \$4.04 for all cash-grain farms and \$3.07 for all livestock farms in the Corn Belt. Value of sales per dollar of the specified current expense inputs was above the Corn Belt average on both cash-grain and livestock farms in the Central, Western, and Northern Corn Belt. The value of sales per thousand dollars of total investment on cash-grain farms in the Central Corn Belt was relatively low, but the return per dollar of current expense inputs was relatively high. All groups of farms in the Southern and Eastern Corn Belt were below the corresponding group averages for the total Corn Belt in value of products sold per dollar of specified expenses.

The value of all farm products sold per thousand dollars of total investment is consistently greater on the higher economic classes of farms. This is also true for the value of products sold per dollar of specified expenses (table 98). In terms of the latter ratio, the differences between the higher and lower economic classes of farms are somewhat greater than they would have been if expenditures for livestock purchased had been included among the specified expenses. On cash-grain farms, the value of products sold per thousand dollars of total investment ranged from a high of \$201 on Class I farms to a low of \$68 on Class VI farms. On livestock farms the range was from \$391 on Class I farms to \$69 on Class VI farms. Value of sales per dollar of specified expenses was only half as large on Class VI cash-grain farms as on Class I cash-grain farms (\$2.11 compared with \$4.23). On livestock farms, the range was from \$3.42 on Class I farms to \$1.66 on Class VI farms.

TABLE 98.—VALUE OF FARM PRODUCTS SOLD PER THOUSAND DOLLARS OF CAPITAL INVESTMENT AND PER DOLLAR OF SPECIFIED EXPENSES, BY TYPE AND ECONOMIC CLASS OF FARM, IN THE CORN BELT: 1954

Type and economic class of farm	Value of all farm products sold	
	Per thousand dollars of total investment <sup>1</sup>	Per dollar of 6 specified expenses <sup>2</sup>
	<i>Dollars</i>	<i>Dollars</i>
All commercial farms.....	195	3.24
Cash-grain farms:		
Total.....	161	4.04
Class I.....	201	4.23
II.....	175	4.39
III.....	157	4.02
IV.....	133	3.47
V.....	105	2.80
VI.....	68	2.11
Livestock farms: <sup>3</sup>		
Total.....	221	3.07
Class I.....	391	3.42
II.....	226	3.24
III.....	172	2.85
IV.....	134	2.39
V.....	104	2.06
VI.....	69	1.66

<sup>1</sup> Per thousand dollars of investment in land and buildings, machinery and equipment, and livestock.

<sup>2</sup> Per dollar of expenditures for machine hire, hired labor, feed, gasoline and other petroleum fuel and oil, commercial fertilizer and fertilizing material, and lime and liming material.

<sup>3</sup> Livestock other than dairy and poultry farms.