

FARM RESOURCES

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Land, labor, and capital are the major inputs used in the production of agricultural commodities. The accompanying table from the U.S. Department of Agriculture Technical Bulletin No. 1238 entitled *Productivity in Agriculture* presents the changes in composition of inputs in agriculture from 1870 to 1957.

CHANGES IN COMPOSITION OF INPUTS.
UNITED STATES AGRICULTURE, 1870-1957

Year	Percentage of total inputs ¹			
	Labor	Land real estate	Capital ²	Total
INPUTS BASED ON 1935-39 PRICE WEIGHTS				
	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
1870.....	65	18	17	100
1880.....	62	19	19	100
1890.....	60	18	22	100
1900.....	57	19	24	100
1910.....	53	20	27	100
1920.....	50	18	32	100
1930.....	46	18	36	100
1940.....	41	18	41	100
INPUTS BASED ON 1947-49 PRICE WEIGHTS				
1940.....	56	14	30	100
1950.....	40	15	45	100
1957.....	31	15	54	100

¹ The use of different price weights prohibits direct comparison of composition percentages for the periods before and after 1940. However, changes in composition within the two price-weight periods, 1870-1940 and 1940-57, serve to indicate the magnitude of changes in composition of input. Comparisons of periods before and after 1940 substantiate the trend in changes of input mix.
² All inputs other than labor and real estate.

From this table three major conclusions are apparent: (1) Labor inputs have declined considerably as a part of the total

inputs; (2) land has remained remarkably constant as an input; (3) capital has now become the dominant input in American agriculture.

The maps and charts that follow in this section will graphically substantiate the trend indicated in the above table.

The first of the maps shown below indicates the percentage of total land area in farms in 1959 on a county unit basis. This map gives a fairly clear indication of where the major farming areas of the country are located. Not shown on the map is the significant change in the acreage of land in farms that has taken place between 1954 and 1959.

The acreage of land in farms, including that reported for the new States of Alaska and Hawaii, dropped from 1,161 million acres in 1954 to 1,123 million acres in 1959. This drop of 38 million acres was due to several factors. In the first place, a change was made in the definition of a farm between the census of 1954 and that of 1959. However, the decrease in land in farms resulting from this change in definition amounted to only 6 million of the 38 million-acre decrease. Part of the decrease can be attributed to the expansion of urban areas, since 7 million acres of the 38-million-acre decrease was in counties included in standard metropolitan areas. The Soil Bank program, which retired many whole farms from agricultural production, has also been a significant factor. Furthermore, the improvement in highways and the high degree of mobility of the labor force has meant that many farmers have just quit farming and are working full time in industrial jobs while commuting from the home on the farm that they no longer operate.

The retirement of this large acreage from agriculture along with the continued decline in farm population of course indicates that capital is being substituted for land and labor in the production of farm products in practically all parts of the United States.

