

CHARTS AND TABLES

FARM CAPITAL FLOWS REVISITED; FINANCING THE BOOM

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The eight charts that follow were first used in an article, "Aggregate Farm Capital and Credit Flows Since 1950 and Projections to 1980," in the July 1972 issue of the Agricultural Finance Review. After minor revisions and updating, they were subsequently used with a paper, "Financing Agriculture: Demand for and Supply of Farm Capital and Credit," presented at the 1972 winter meetings of the American Agricultural Economics Association. The paper and charts were published in the May 1973 issue of the American Journal of Agricultural Economics.

On each current chart, the thick lines remain as published in 1973 and thus represent the data available and projections made in late 1972. In general, the last flow data shown were for the year 1971, and the last stock data plotted were as of January 1, 1972. The thin lines show any significant revisions made in data series for years prior to 1972 and also update each series to reflect the latest available data. In general, therefore, the most recent flow data now plotted are for the year 1975, and the last stock data plotted are as of January 1, 1976.

The same ratio scale is used on all eight charts. Therefore, the plot of any given series may be compared with that of any other series, either on the same chart or on any other chart. Equal slopes indicate equal percentage rates of change, and equal vertical distances represent equal total percentage changes, whether on the same chart or on different charts. The last page of this material should be detached and used as an overlay to measure rates of change and total percentage changes on the charts.

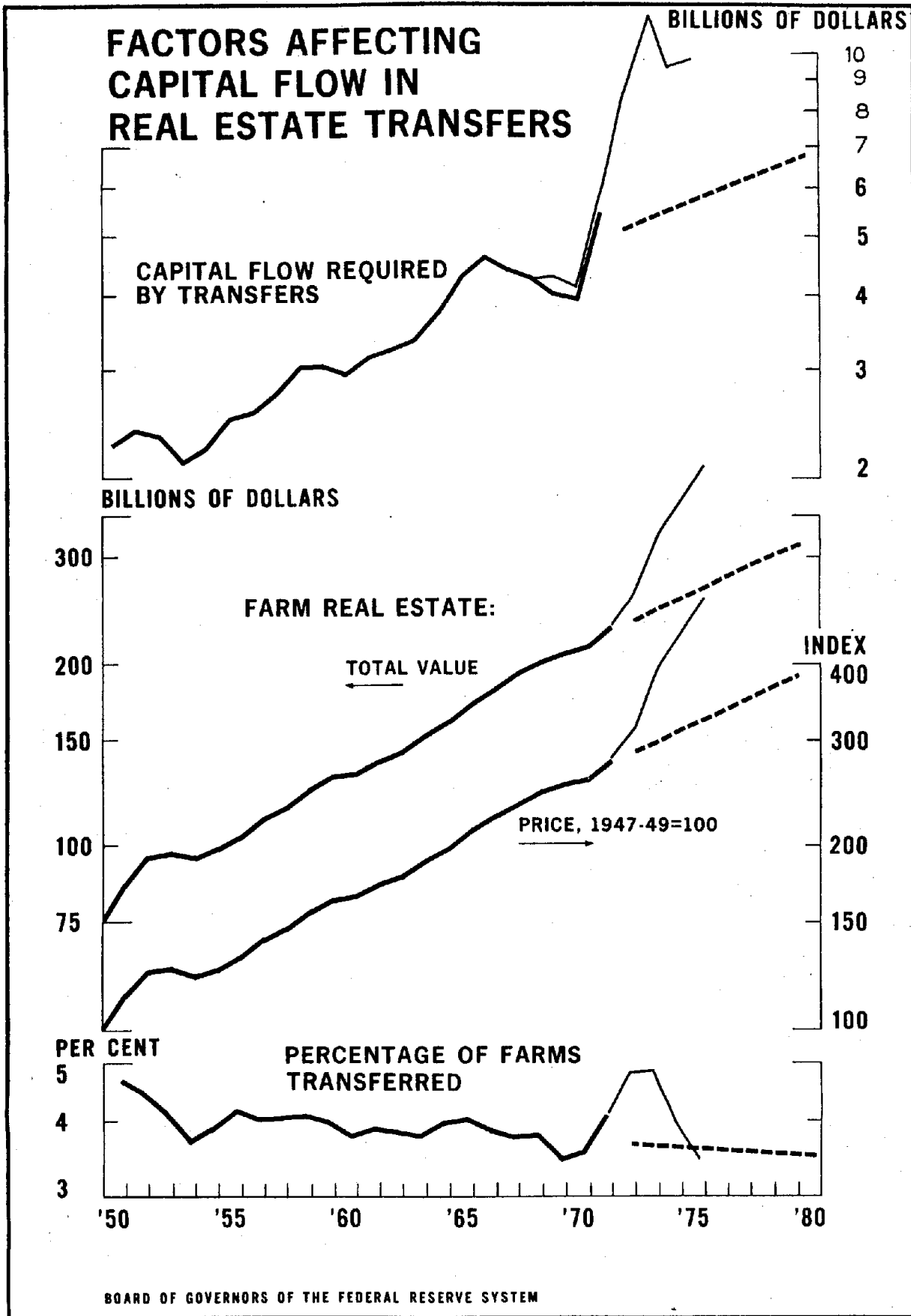
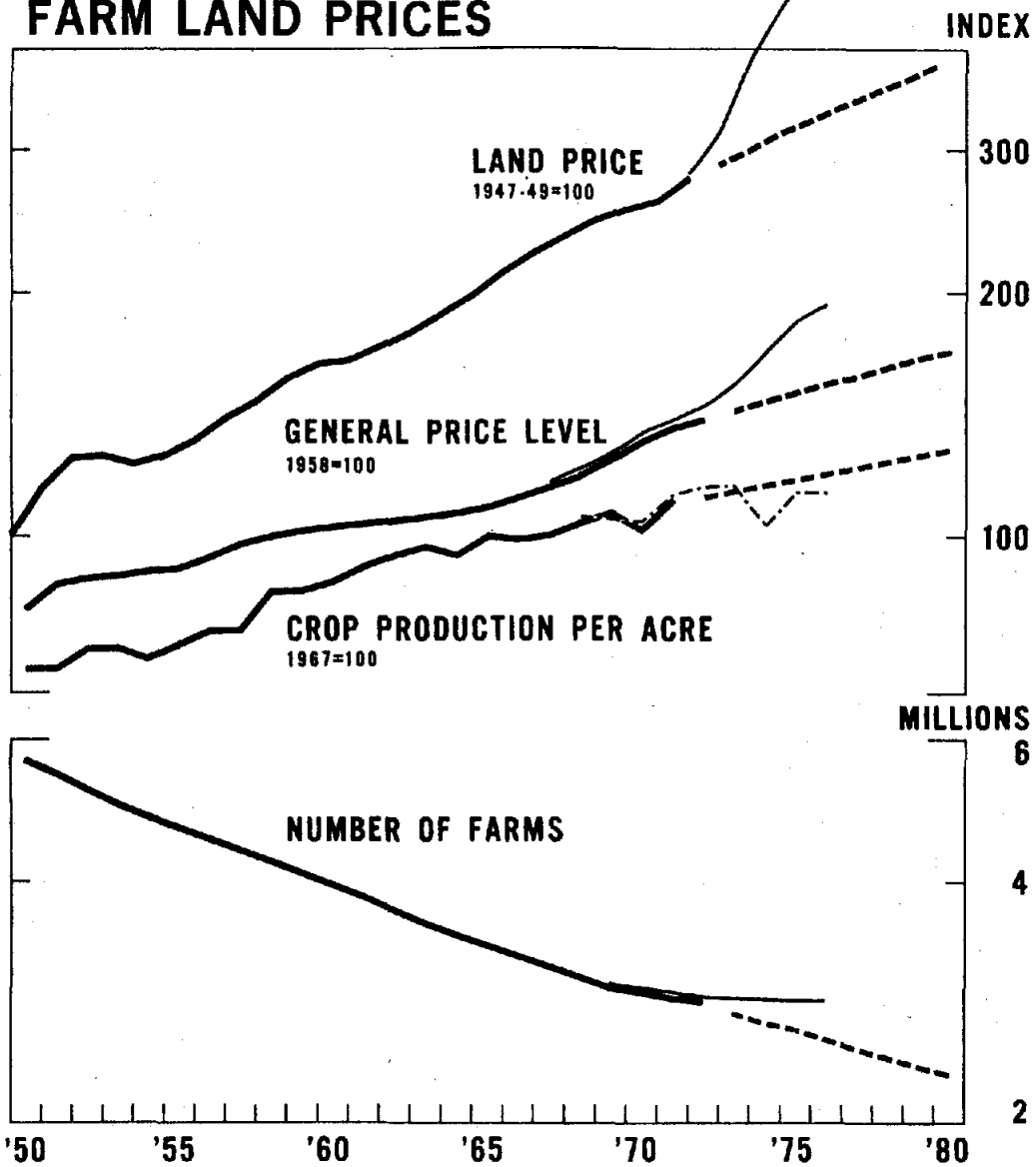


CHART 2

FACTORS AFFECTING FARM LAND PRICES



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

CHART 3

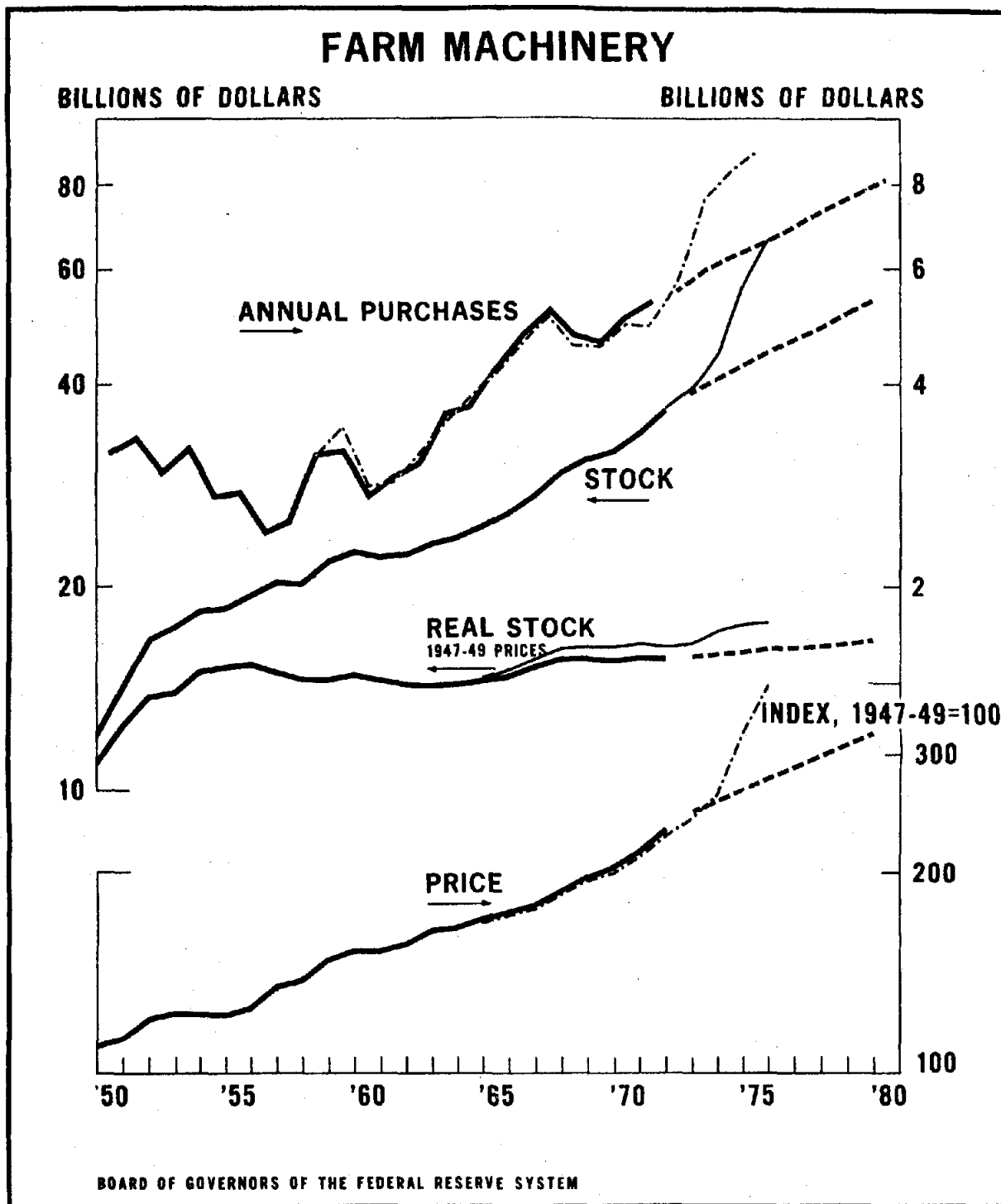
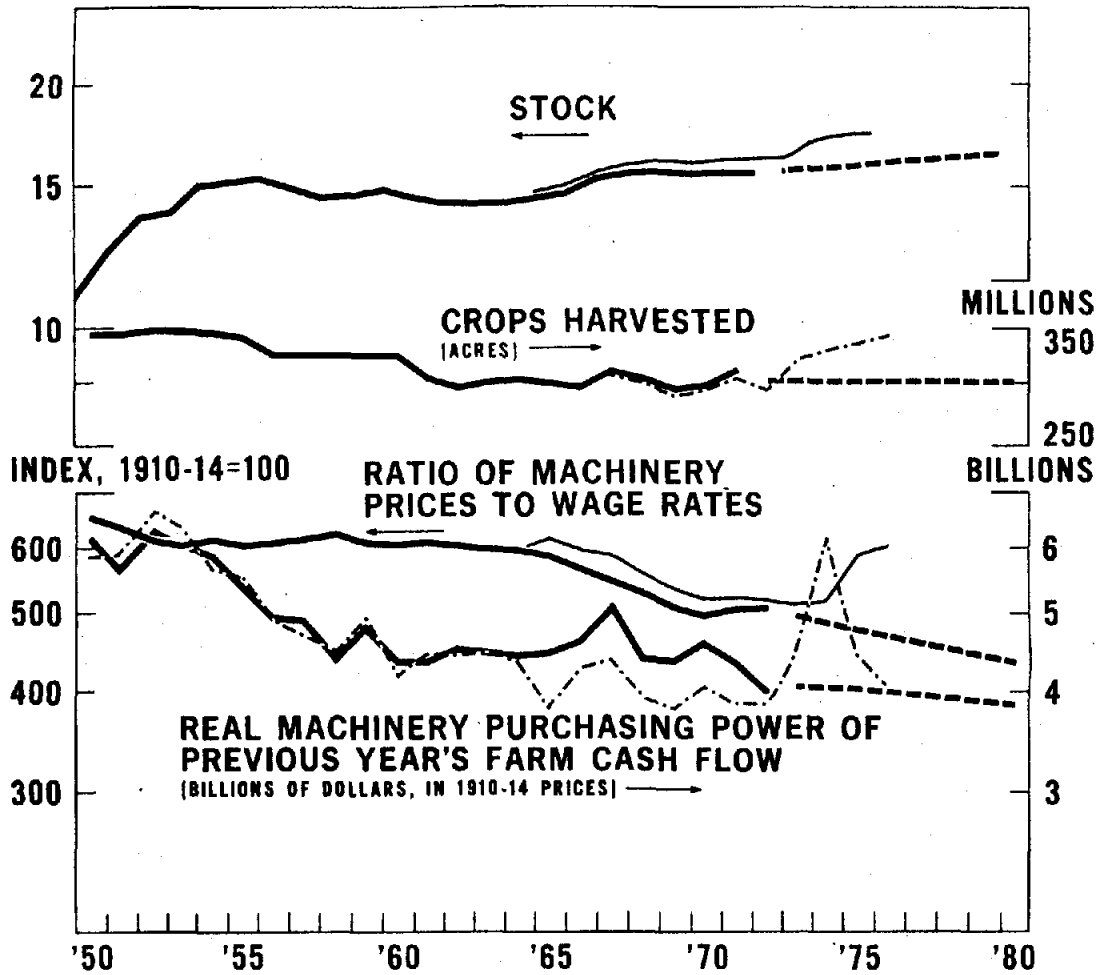


CHART 4

FACTORS AFFECTING THE REAL MACHINERY STOCK

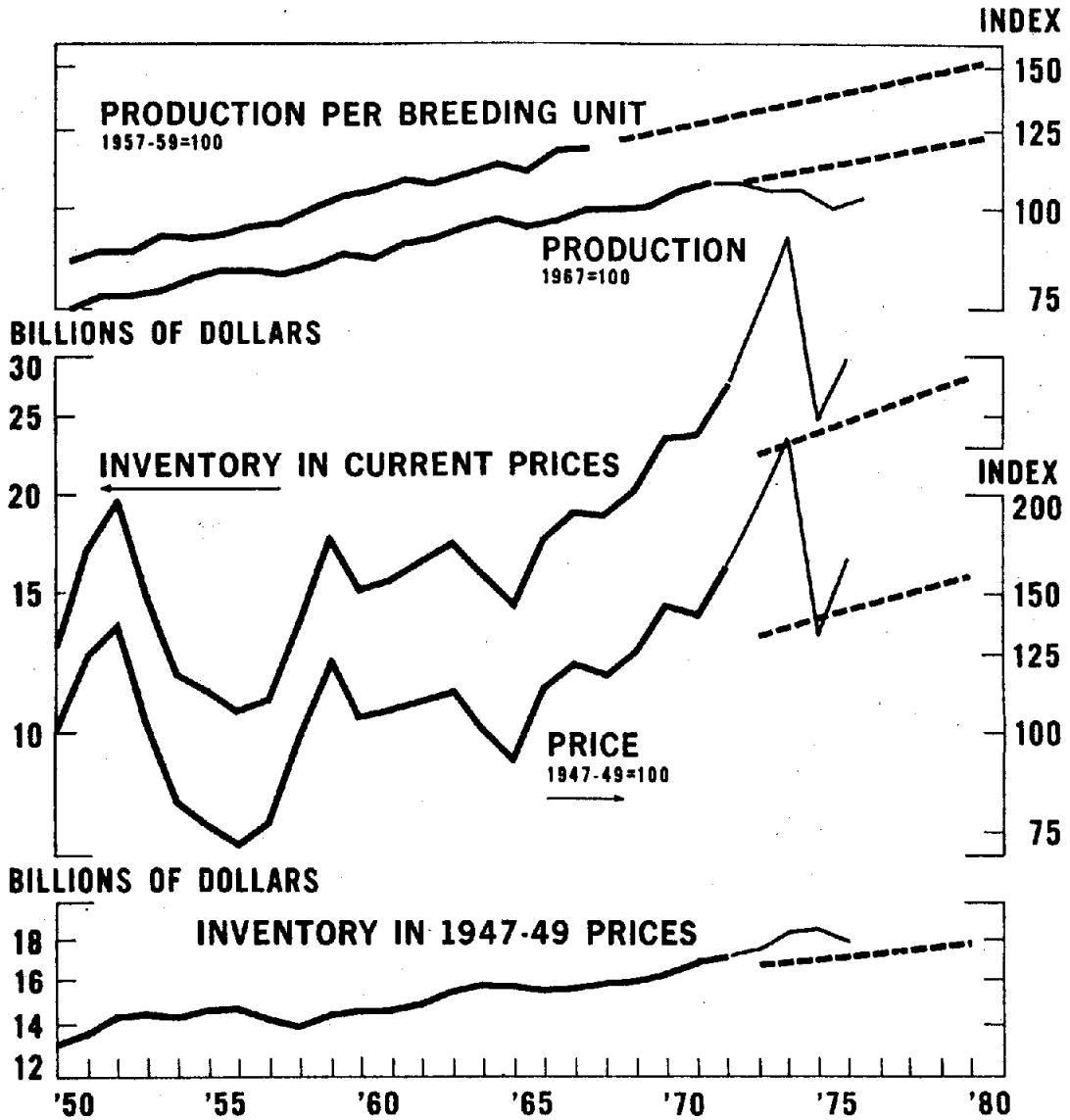
BILLIONS OF DOLLARS, IN 1947-49 PRICES



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

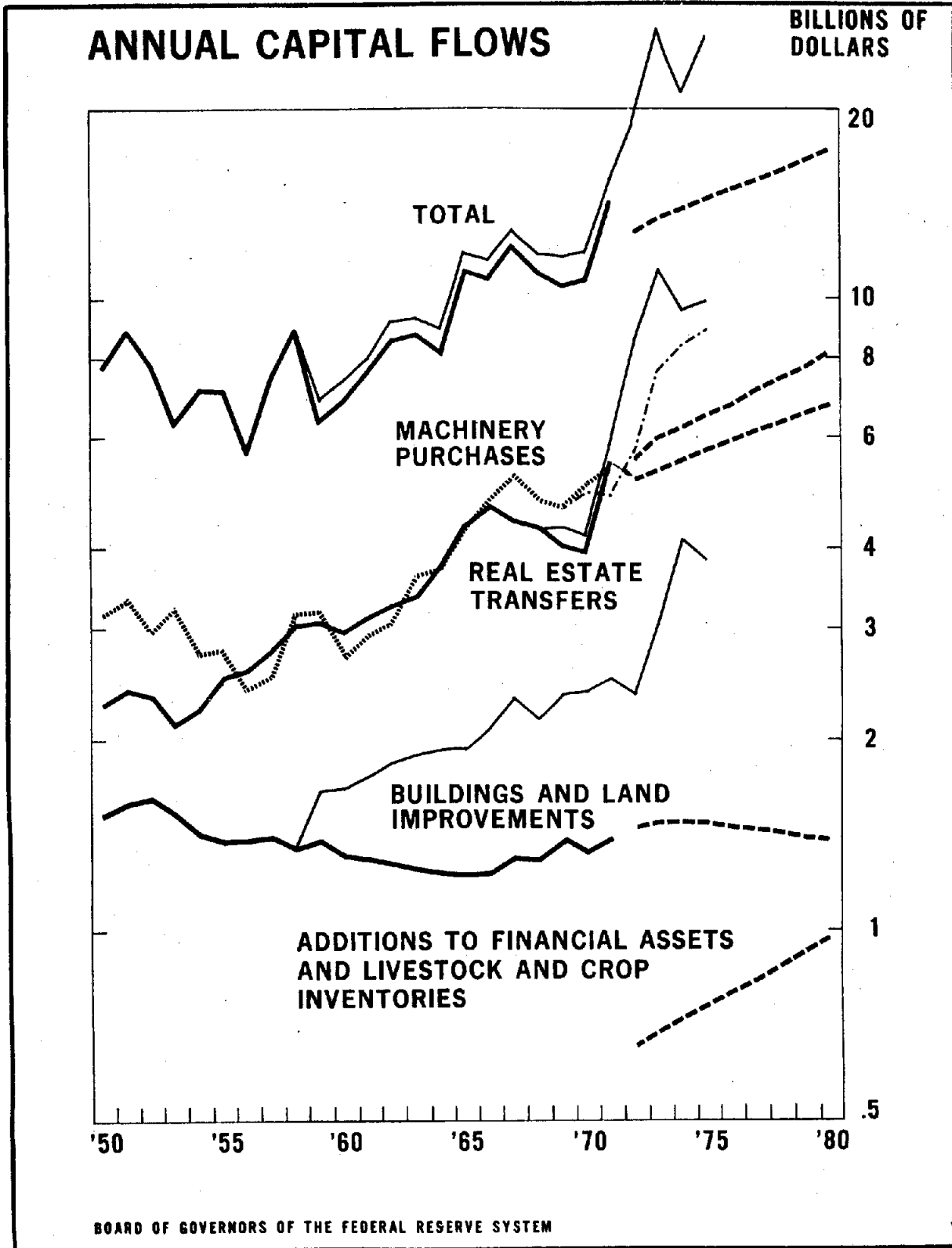
CHART 5

LIVESTOCK: Factors affecting additions to inventory



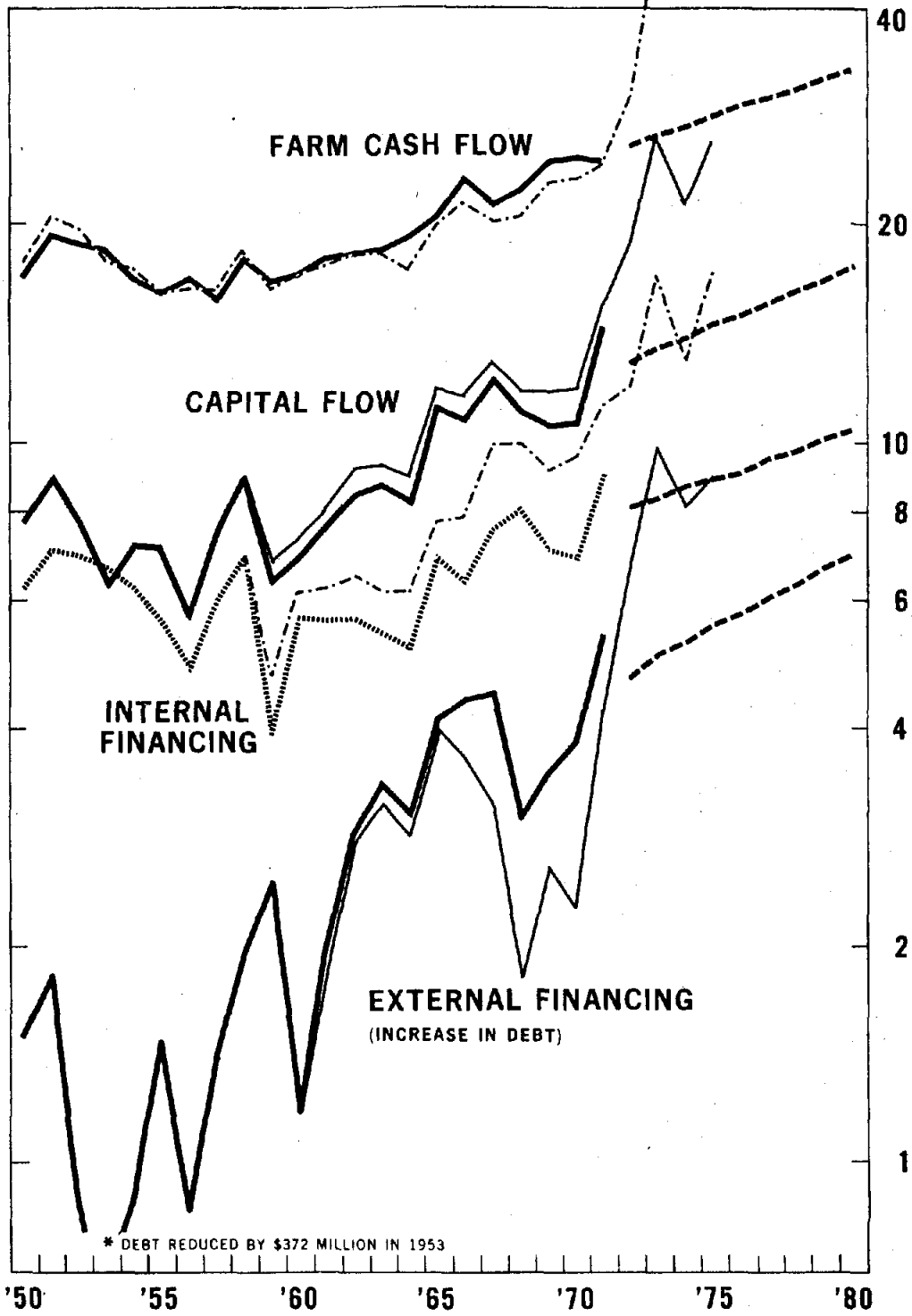
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

CHART 6



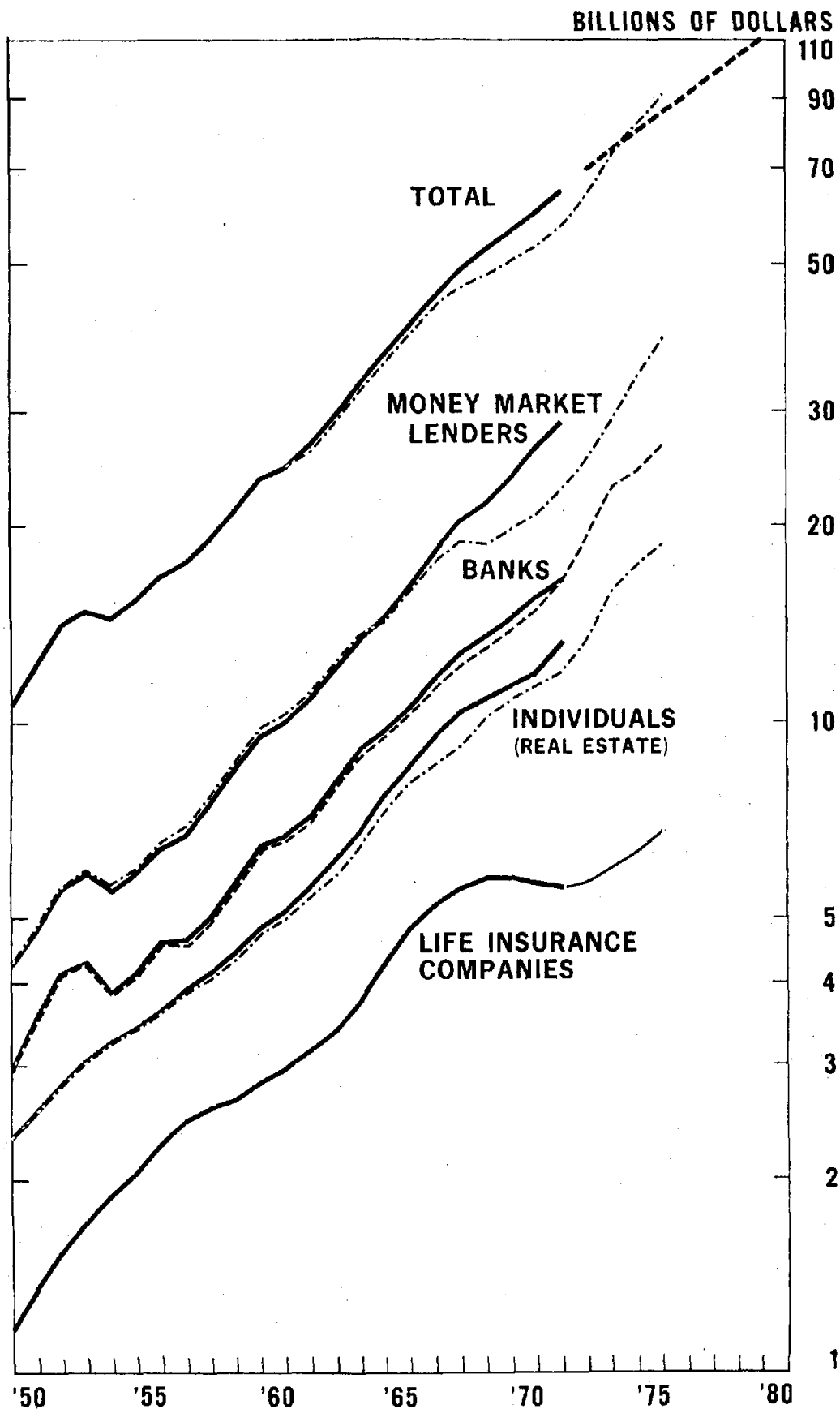
FINANCING THE ANNUAL CAPITAL FLOW

BILLIONS OF DOLLARS



* DEBT REDUCED BY \$372 MILLION IN 1953

OUTSTANDING FARM DEBT by Lender Group



From Agricultural Finance Databook--Annual Series, September 1976

TABLE 830.1

CAPITAL NET INVESTMENT
(EXPENDITURES LESS CONSUMPTION ALLOWANCES)
AMOUNTS IN MILLIONS OF DOLLARS

YEAR	TOTAL	BUILDINGS AND LAND IMPROVEMENTS			MACHINERY					
		TOTAL	OPERATORS' DWELLINGS	OTHER	TOTAL	MOTOR VEHICLES			OTHER	
						TOTAL	TRACTORS	TRUCKS		AUTOS
1945.....	375.	8.	-113.	121.	367.	58.	97.	-15.	-24.	309.
1946.....	1006.	638.	151.	487.	368.	228.	89.	110.	29.	140.
1947.....	1875.	764.	237.	527.	1111.	648.	260.	294.	94.	463.
1948.....	2482.	885.	347.	538.	1597.	849.	403.	273.	172.	749.
1949.....	2359.	837.	340.	497.	1522.	933.	425.	225.	283.	589.
1950.....	2009.	740.	277.	463.	1269.	726.	372.	155.	199.	543.
1951.....	1773.	655.	226.	429.	1118.	593.	338.	68.	187.	525.
1952.....	1254.	709.	246.	463.	545.	138.	241.	-40.	-63.	407.
1953.....	1274.	590.	188.	402.	684.	481.	179.	9.	293.	203.
1954.....	583.	419.	110.	309.	164.	96.	26.	18.	52.	68.
1955.....	445.	313.	37.	276.	132.	96.	125.	-37.	8.	36.
1956.....	75.	379.	67.	312.	-304.	-191.	-71.	-33.	-87.	-113.
1957.....	10.	323.	47.	276.	-313.	-131.	-98.	-16.	-17.	-182.
1958.....	494.	272.	22.	250.	222.	52.	35.	-16.	33.	170.
1959.....	817.	505.	24.	481.	312.	48.	116.	0.	-68.	264.
1960.....	151.	475.	-79.	554.	-324.	-254.	-188.	-1.	-65.	-70.
1961.....	226.	483.	6.	477.	-257.	-159.	-89.	13.	-83.	-98.
1962.....	492.	506.	-66.	572.	-14.	13.	4.	13.	-4.	-27.
1963.....	715.	478.	-88.	566.	237.	61.	91.	16.	-46.	176.
1964.....	785.	407.	-115.	522.	378.	145.	110.	48.	-13.	233.
1965.....	994.	322.	-212.	534.	672.	204.	198.	-5.	11.	468.
1966.....	1304.	431.	-165.	596.	873.	290.	349.	-51.	-8.	583.
1967.....	1665.	527.	-202.	729.	1138.	251.	236.	6.	9.	887.
1968.....	496.	224.	-304.	528.	272.	85.	179.	-61.	-33.	187.
1969.....	291.	212.	-268.	480.	79.	1.	59.	-44.	-14.	78.
1970.....	525.	199.	-418.	617.	326.	39.	108.	-22.	-47.	287.
1971.....	7.	99.	-420.	519.	-92.	-31.	100.	-81.	-50.	-61.
1972.....	158.	-283.	-510.	227.	441.	220.	295.	-70.	-5.	221.
1973.....	1764.	-49.	-749.	700.	1813.	602.	656.	-66.	12.	1211.
1974.....	1836.	456.	-580.	1036.	1380.	487.	623.	-31.	-105.	893.
1975.....	187.	-289.	-918.	629.	476.	308.	450.	-43.	-99.	168.

From Agricultural Finance Databook--Annual Series, September 1976

TABLE 721.1A

CAPITAL FLOWS
AMOUNTS IN MILLIONS OF DOLLARS

YEAR	SOURCES OF FUNDS					USES OF FUNDS		
	TOTAL	INTERNAL FUNDS			INCREASE IN DEBT	TOTAL	CAPITAL EXPENDITURES	INCREASE IN FINANCIAL ASSETS
		TOTAL	CAPITAL CONSUMPTION ALLOWANCES	NET INVESTMENT				
1946...	4057.	3637.	1118.	2519.	420.	4057.	2200.	1857.
1947...	2765.	2067.	1418.	649.	698.	2765.	1581.	1184.
1948...	6094.	5097.	1852.	3245.	997.	6094.	6004.	90.
1949...	3203.	2617.	2220.	397.	586.	3203.	3627.	-424.
1950...	5281.	3940.	2511.	1429.	1341.	5281.	5248.	33.
1951...	6052.	4329.	2958.	1371.	1723.	6052.	5793.	259.
1952...	5177.	4242.	3143.	1099.	935.	5177.	5190.	-13.
1953...	3776.	4093.	3261.	832.	-317.	3776.	3799.	-23.
1954...	4460.	3587.	3377.	210.	873.	4460.	4487.	-27.
1955...	4455.	2832.	3482.	-650.	1623.	4455.	4347.	108.
1956...	3196.	2272.	3519.	-1247.	924.	3196.	3317.	-121.
1957...	4325.	3033.	3691.	-658.	1292.	4325.	4358.	-33.
1958...	5562.	3758.	3790.	-32.	1804.	5562.	5196.	366.
1959...	4007.	1652.	4016.	-2364.	2355.	4007.	4609.	-602.
1960...	3962.	2772.	4091.	-1319.	1190.	3962.	4298.	-336.
1961...	4552.	2853.	4134.	-1281.	1699.	4552.	4467.	85.
1962...	5425.	3121.	4258.	-1137.	2304.	5425.	5291.	134.
1963...	5738.	2326.	4403.	-2077.	3412.	5738.	5778.	-40.
1964...	5009.	2220.	4585.	-2365.	2789.	5009.	4617.	392.
1965...	6872.	3025.	4784.	-1759.	3847.	6872.	6592.	280.
1966...	6178.	2578.	5058.	-2480.	3600.	6178.	5971.	207.
1967...	7724.	4621.	5439.	-818.	3103.	7724.	7361.	363.
1968...	6782.	5007.	5845.	-838.	1775.	6782.	6203.	579.
1969...	7155.	4480.	6196.	-1716.	2675.	7155.	6619.	536.
1970...	7526.	5589.	6390.	-801.	1937.	7526.	6922.	604.
1971...	9012.	4395.	6944.	-2549.	4617.	9012.	8321.	691.
1972...	8839.	2447.	7439.	-4992.	6392.	8839.	7903.	936.
1973...	13690.	3856.	8413.	-4557.	9834.	13690.	12847.	843.
1974...	10585.	2513.	9997.	-7484.	8072.	10585.	9681.	904.
1975...	15167.	5681.	11763.	-6082.	9486.	15167.	14343.	824.

NET INVESTMENT IS COMPUTED AS THE RESIDUAL AMOUNT THAT EQUATES TOTAL SOURCES AND USES OF FUNDS.
DETAIL FOR MAJOR SOURCES AND USES OF FUNDS IS SHOWN IN TABLES 731.1, 732.1, AND 741.1.

From Agricultural Finance Databook--Annual Series, September 1976

TABLE 711.1A

INCOME AND CAPITAL FLOWS
AMOUNTS IN MILLIONS OF DOLLARS

YEAR	SOURCES OF FUNDS					USES OF FUNDS					ADDENDUM: NET INVESTMENT	
	TOTAL	INTERNAL CASH FLOW			INCREASE IN DEBT	TOTAL	ACQUISITION OF ASSETS			CORPORATE PROFITS TAXES		WITHDRAWAL OF FUNDS
		TOTAL	CAPITAL CONSUMPTION ALLOWANCES	NET INCOME			TOTAL	CAPITAL EXPENDITURES	INCREASE IN FINANCIAL ASSETS			
1946...	16606.	16186.	1118.	15068.	420.	16606.	4057.	2200.	1857.	55.	12494.	2519.
1947...	17470.	16772.	1418.	15354.	698.	17470.	2765.	1581.	1184.	58.	14647.	649.
1948...	20513.	19516.	1852.	17664.	997.	20513.	6094.	6004.	90.	69.	14350.	3245.
1949...	15586.	15000.	2220.	12780.	586.	15586.	3203.	3627.	-424.	50.	12333.	397.
1950...	17500.	16159.	2511.	13648.	1341.	17500.	5281.	5248.	33.	88.	12131.	1429.
1951...	20614.	18891.	2958.	15933.	1723.	20614.	6052.	5793.	259.	88.	14474.	1371.
1952...	19039.	18104.	3143.	14961.	935.	19039.	5177.	5190.	-13.	54.	13808.	1099.
1953...	15924.	16241.	3261.	12980.	-317.	15924.	3776.	3799.	-23.	52.	12096.	832.
1954...	16623.	15750.	3377.	12373.	873.	16623.	4460.	4487.	-27.	45.	12118.	210.
1955...	16410.	14787.	3482.	11305.	1623.	16410.	4455.	4347.	108.	48.	11907.	-650.
1956...	15697.	14773.	3519.	11254.	924.	15697.	3196.	3317.	-121.	50.	12451.	-1247.
1957...	16068.	14776.	3691.	11085.	1292.	16068.	4325.	4358.	-33.	42.	11701.	-658.
1958...	18762.	16958.	3790.	13168.	1804.	18762.	5562.	5196.	366.	55.	13145.	-32.
1959...	17064.	14709.	4016.	10693.	2355.	17064.	4007.	4609.	-602.	45.	13012.	-2364.
1960...	16757.	15567.	4091.	11476.	1190.	16757.	3962.	4298.	-336.	48.	12747.	-1319.
1961...	17707.	16008.	4134.	11874.	1699.	17707.	4552.	4467.	85.	62.	13093.	-1281.
1962...	18520.	16216.	4258.	11958.	2304.	18520.	5425.	5291.	134.	54.	13041.	-1137.
1963...	19454.	16042.	4403.	11639.	3412.	19454.	5738.	5778.	-40.	65.	13651.	-2077.
1964...	17729.	14940.	4585.	10355.	2789.	17729.	5009.	4617.	392.	70.	12650.	-2365.
1965...	21360.	17513.	4784.	12729.	3847.	21360.	6872.	6592.	280.	80.	14408.	-1759.
1966...	22417.	18817.	5058.	13759.	3600.	22417.	6178.	5971.	207.	74.	16165.	-2480.
1967...	20692.	17589.	5439.	12150.	3103.	20692.	7724.	7361.	363.	53.	12915.	-818.
1968...	19759.	17984.	5845.	12139.	1775.	19759.	6782.	6203.	579.	76.	12901.	-838.
1969...	22939.	20264.	6196.	14068.	2675.	22939.	7155.	6619.	536.	86.	15698.	-1716.
1970...	22258.	20321.	6390.	13931.	1937.	22258.	7526.	6922.	604.	63.	14669.	-801.
1971...	25932.	21315.	6944.	14371.	4617.	25932.	9012.	8321.	691.	92.	16828.	-2549.
1972...	32139.	25747.	7439.	18308.	6392.	32139.	8839.	7903.	936.	116.	23184.	-4992.
1973...	50970.	41136.	8413.	32723.	9834.	50970.	13690.	12847.	843.	264.	37016.	-4557.
1974...	44156.	36084.	9997.	26087.	8072.	44156.	10585.	9681.	904.	211.	33360.	-7484.
1975...	46366.	36880.	11763.	25117.	9486.	46366.	15167.	14343.	824.	171.	31028.	-6082.

WITHDRAWAL OF FUNDS IS COMPUTED AS THE RESIDUAL AMOUNT THAT EQUATES TOTAL USES AND SOURCES OF FUNDS.

NET INVESTMENT IS NET INCOME LESS WITHDRAWAL OF FUNDS.

DETAIL FOR MAJOR SOURCES AND USES OF FUNDS IS SHOWN IN TABLES 731.1, 732.1, AND 741.1.

From Agricultural Finance Databook--Annual Series, September 1976

TABLE 542.1

IMPLICIT NET INVESTMENT AND INTER-SECTOR TRANSFERS
CURRENT DOLLARS
AMOUNTS IN MILLIONS OF DOLLARS

YEAR	TOTAL	PHYSICAL ASSETS						MONETARY ASSETS AND LIABILITIES					
		TOTAL	REAL ESTATE	MACHINERY AND MOTOR VEHICLES	LIVESTOCK	STORED CROPS	HOUSEHOLD EQUIPMENT AND FURNISHINGS	NET MONETARY ASSETS	FINANCIAL ASSETS				DEBT INCLUDING CCC LOANS
									TOTAL	CURRENCY AND BANK DEPOSITS	U.S. SAVINGS BONDS	INVESTMENTS IN COOPERATIVES	
1940...	695.	739.	152.	110.	93.	308.	77.	-44.	391.	242.	104.	45.	435.
1941...	1882.	941.	160.	455.	364.	-71.	32.	941.	939.	712.	158.	69.	-2.
1942...	3405.	906.	175.	-206.	628.	651.	-343.	2499.	1931.	1249.	601.	81.	-568.
1943...	2968.	-335.	198.	-435.	452.	-294.	-255.	3303.	2274.	1134.	1050.	90.	-1029.
1944...	3196.	17.	224.	62.	-522.	348.	-95.	3179.	2652.	1330.	1217.	105.	-527.
1945...	2348.	-507.	-108.	341.	-314.	-569.	143.	2855.	2416.	1484.	773.	159.	-439.
1946...	1706.	1186.	646.	465.	-430.	46.	458.	520.	1028.	809.	60.	159.	508.
1947...	-389.	367.	702.	1284.	-595.	-1295.	271.	-756.	69.	-268.	163.	174.	825.
1948...	3496.	5589.	872.	1826.	-107.	2477.	522.	-2093.	39.	-349.	222.	166.	2132.
1949...	1481.	2769.	825.	1864.	171.	-218.	126.	-1288.	-204.	-505.	123.	178.	1084.
1950...	2437.	2841.	726.	1568.	622.	-415.	340.	-404.	192.	6.	-34.	220.	596.
1951...	1726.	2753.	700.	1328.	942.	-354.	136.	-1027.	566.	339.	21.	206.	1593.
1952...	821.	2100.	957.	465.	482.	497.	-302.	-1279.	178.	14.	-75.	239.	1457.
1953...	2026.	2638.	781.	963.	-51.	965.	-19.	-612.	222.	-10.	100.	132.	834.
1954...	1419.	1728.	670.	207.	182.	273.	397.	-309.	417.	0.	237.	180.	726.
1955...	379.	1073.	520.	122.	9.	-37.	459.	-694.	438.	51.	199.	188.	1132.
1956...	-1519.	-976.	549.	-413.	-369.	-331.	-412.	-543.	10.	-119.	-105.	234.	553.
1957...	-179.	486.	451.	-448.	-216.	812.	-113.	-665.	401.	129.	53.	219.	1066.
1958...	-219.	2201.	409.	120.	524.	1214.	-65.	-2420.	818.	480.	65.	273.	3238.
1959...	-1731.	416.	853.	504.	440.	-1105.	-276.	-2147.	-1021.	-799.	-518.	296.	1126.
1960...	-1736.	-130.	483.	-409.	-162.	459.	-501.	-1606.	-202.	-446.	-38.	282.	1404.
1961...	-980.	1055.	451.	-366.	370.	273.	327.	-2035.	252.	92.	-162.	322.	2287.
1962...	-1226.	1165.	520.	-23.	576.	183.	-91.	-2391.	530.	352.	-39.	217.	2921.
1963...	-1521.	1321.	597.	190.	383.	174.	-24.	-2842.	158.	59.	-195.	294.	3000.
1964...	-2691.	-844.	582.	383.	-50.	-1463.	-296.	-1847.	569.	354.	-23.	238.	2416.
1965...	-1052.	2251.	411.	632.	-118.	1317.	10.	-3303.	551.	417.	-152.	286.	3854.
1966...	-2385.	501.	589.	796.	206.	-860.	-231.	-2886.	485.	323.	-132.	294.	3371.
1967...	533.	3131.	297.	1101.	110.	1263.	359.	-2598.	770.	581.	-135.	324.	3368.
1968...	-202.	1968.	240.	138.	256.	1088.	246.	-2170.	889.	583.	-34.	340.	3059.
1969...	-1404.	411.	250.	-6.	245.	64.	-142.	-1815.	757.	408.	-13.	362.	2572.
1970...	-774.	-125.	257.	187.	780.	-1469.	120.	-649.	808.	543.	-152.	417.	1457.
1971...	-536.	2859.	300.	-241.	370.	1787.	643.	-3395.	1235.	717.	88.	430.	4630.
1972...	-3394.	1064.	131.	415.	580.	-974.	911.	-4458.	1773.	873.	315.	585.	6231.
1973...	-3390.	3494.	177.	1877.	1713.	-199.	-75.	-6884.	1909.	853.	175.	881.	8793.
1974...	-9963.	-3615.	150.	1138.	519.	-5194.	-228.	-6348.	1347.	183.	165.	999.	7695.
1975...	-4086.	2912.	52.	245.	-970.	3911.	-324.	-6998.	1809.	560.	93.	1156.	8807.

FOR PHYSICAL ASSETS, "IMPLICIT NET INVESTMENT AND INTER-SECTOR TRANSFERS (INTO THE FARMING SECTOR)" IS ESTIMATED AS THE ANNUAL CHANGE IN REAL QUANTITIES EXPRESSED IN 1967 PRICES (TABLE 522.2) MULTIPLIED BY THE AVERAGE OF THE IMPLICIT PRICE DEFLATORS FOR THE BEGINNING AND END OF THE YEAR (TABLE 531.1, JANUARY 1, 1967 = 1.00). FOR MONETARY ASSETS AND LIABILITIES, "NET INVESTMENT AND INTER-SECTOR TRANSFERS (INTO THE FARMING SECTOR)" IS THE ANNUAL CHANGE IN CURRENT DOLLARS (TABLE 541.1).

Table 6—Cash sources and uses of funds for the U.S. Farm Sector, 1961-1975

	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976 ^a	1977 ^e
	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars
Cash sources of funds^b																	
Cash income from farm and off farm^c																	
Net flow of R.E. loans.....	23.8	24.7	25.8	26.7	28.9	32.6	31.1	33.1	36.5	37.5	38.7	46.8	64.9	64.8	62.6	66.0	66.2
Net flow of non R.E. loans.....	1.0	1.3	1.7	2.1	2.3	1.9	2.0	2.3	1.8	1.1	1.9	3.6	5.5	5.0	4.6	5.8	7.0
	.8	1.4	1.5	.6	1.8	1.7	1.1	-0.5	.7	1.1	2.4	3.2	4.3	3.1	4.2	5.0	4.0
Cash source of funds^c	25.6	27.4	29.0	29.4	33.0	36.2	34.2	34.9	39.0	39.7	43.0	53.6	74.7	72.9	71.4	76.8	77.2
Cash uses of funds																	
Purchases of machinery and motor vehicles.....																	
Capital improvement to real estate assets.....	2.9	3.2	3.5	3.8	4.1	4.6	5.1	4.6	4.5	4.9	4.8	5.7	7.7	8.4	8.9	9.6	10.0
Other capital purchases ^d	1.7	1.8	1.9	1.9	1.9	2.1	2.3	2.1	2.3	2.4	2.5	2.4	3.0	4.1	3.8	3.8	4.3
Annual capital formation.....	1.0	.9	.6	.6	1.0	.8	1.6	1.6	1.2	1.5	2.5	3.1	2.4	0.9	1.3	1.7	1.9
Purchases of real estate discontinuing proprietors.....	5.6	5.9	6.0	6.3	7.0	7.5	9.0	8.3	8.0	8.8	9.8	11.2	13.1	13.4	14.0	15.1	16.2
	3.2	3.3	3.5	3.9	4.3	4.6	4.4	4.3	4.3	4.1	5.8	8.5	11.4	9.5	9.8	11.2	12.5
Total cash flow of capital.....	8.8	9.2	9.5	10.2	11.3	12.1	13.4	12.6	12.3	12.9	15.6	19.7	24.5	22.9	23.8	26.3	28.7
Personal consumption and other cash uses.....																	
	16.8	18.2	19.5	19.2	21.7	24.1	20.8	22.3	26.7	26.8	27.4	33.9	50.2	50.0	47.6	50.5	48.5
Cash uses of funds^c	25.6	27.4	29.0	29.4	33.0	36.2	34.2	34.9	39.0	39.7	43.0	53.6	74.7	72.9	71.4	76.8	77.2
Cash flow.....	23.8	24.7	25.8	26.7	28.9	32.6	31.1	33.1	36.5	37.5	38.7	46.8	64.9	64.8	62.6	66.0	66.2
Capital consumption allowances.....	4.4	4.5	4.7	4.9	5.1	5.4	5.8	6.2	6.6	6.8	7.4	7.9	8.9	10.6	12.5	14.0 ^m	15.2 ^m
Net income.....	19.4	20.2	21.1	21.8	23.8	27.2	25.3	26.9	29.9	30.7	31.3	38.9	56.0	54.2	50.1	52.0^m	51.0^m
Capital flow.....	8.8	9.2	9.5	10.2	11.3	12.1	13.4	12.6	12.3	12.9	15.6	19.7	24.5	22.9	23.8	26.3	28.7
Debt-financed.....	1.8	2.7	3.2	2.7	4.1	3.6	3.1	1.8	2.5	2.2	4.3	6.8	9.8	8.1	8.8	10.8	11.0
Internally-financed--gross.....	7.0	6.5	6.3	7.5	7.2	8.5	10.3	10.8	9.8	10.7	11.3	12.9	14.7	14.8	15.0	15.5	17.7
--net.....	2.6	2.0	1.6	2.6	2.1	3.1	4.5	4.6	3.2	3.9	3.9	5.0	5.8	4.2	2.5	1.5 ^m	2.5 ^m
Analytical ratios (per cent)																	
Relative burden of capital flows																	
Capital flow / Cash flow.....	37	37	37	38	39	37	43	38	34	34	40	42	38	35	38	40	43
R.E. purchases / Cash flow.....	13	13	14	15	15	14	14	13	12	11	15	18	18	15	16	17	19
Allocations to internal financing																	
Gross internal financing / Cash flow...	29	26	24	28	25	26	33	33	27	29	29	28	23	23	24	23	27
Net internal financing / Net income....	13	10	8	12	9	11	18	17	11	13	12	13	10	8	5	3	5
Prospective burden of debt financing																	
Debt financing / Cash flow.....	8	11	12	10	14	11	10	5	7	6	11	15	15	12	14	16	17
Debt financing / Net income.....	9	13	15	12	17	13	12	7	8	7	14	17	18	15	18	21	22
Relative role of debt financing																	
Debt financing / Capital flow.....	20	29	34	26	36	30	23	14	20	17	28	35	40	35	37	41	38
Debt financing / Capital formation.....	32	46	53	43	59	48	34	22	31	25	44	61	75	60	63	72	68

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^aPreliminary. ^bCash sources of funds from sale of real estate to the nonfarm sector are not included due to the lack of data. ^cGross cash farm operating expenses have been deducted from gross cash farm income in the account. ^dIncludes net additions to household furnishings, commercial bank deposits and currency, and purchases of breeding livestock. ^eForecast by the AIW simulator. ^mBased on author's projection of capital consumption allowances.

READING LIST

Short list (best read in order listed)

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 "Sources of Capital," pp. 422-425.
 "Capital Formation and Land Prices," pp. 435-438.
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2. "The Farm Business Sector in the National Flow of Funds Accounts," by Emanuel Melichar, 1970 Proceedings of the Business and Economic Statistics Section, American Statistical Association, 1971, pp. 571-576.
3. "Aggregate Farm Capital and Credit Flows Since 1950 and Projections to 1980," by Emanuel Melichar, Agricultural Finance Review, July 1972, pp. 1-7.
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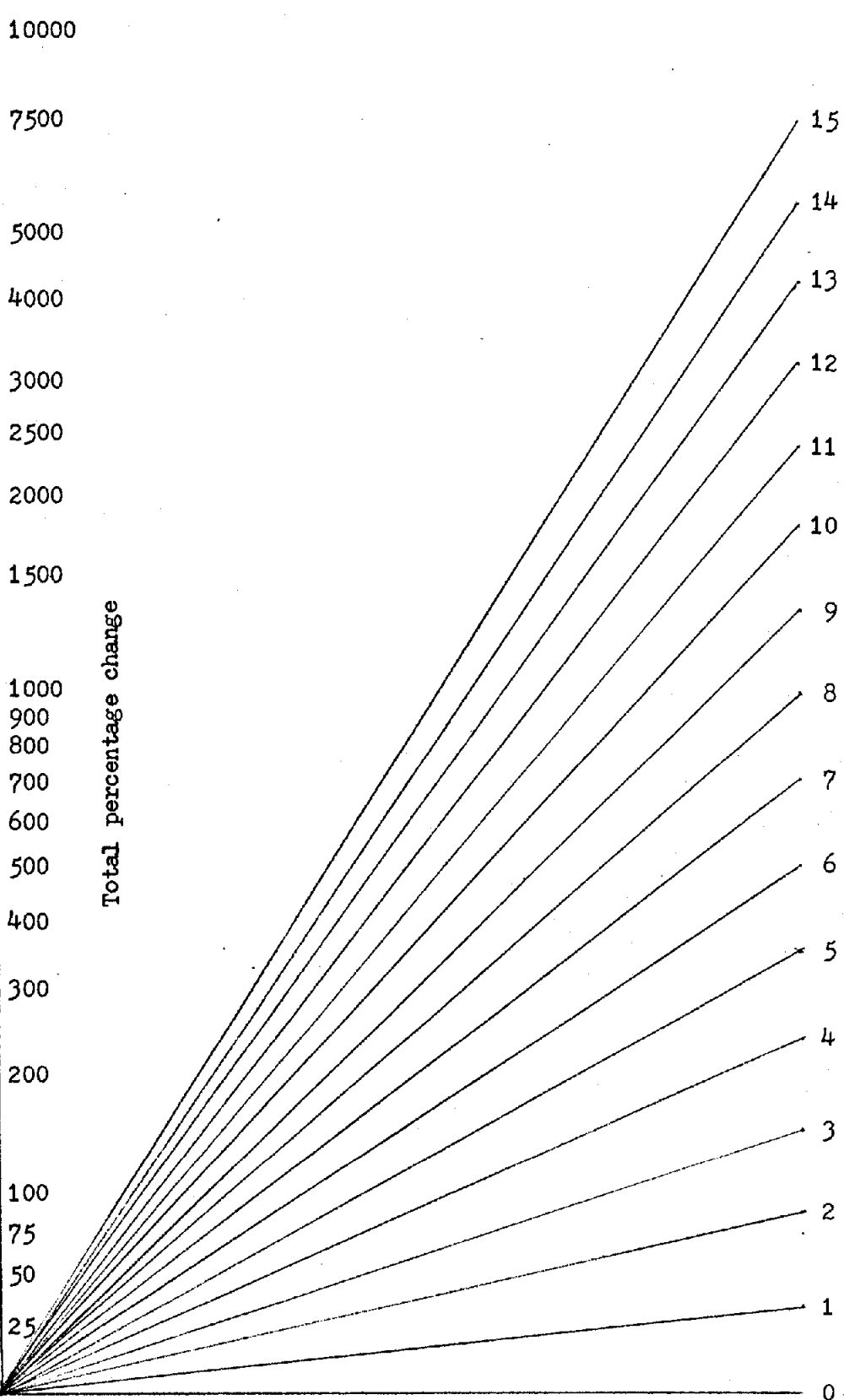
Extended list

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2. "Financing Agriculture: Demand for and Supply of Farm Capital and Credit," by Emanuel Melichar, American Journal of Agricultural Economics, May 1973, pp. 313-325.
3. Portions of "Financial Instability Revisited: The Economics of Disaster," by Hyman P. Minsky, in Reappraisal of the Federal Reserve Discount Mechanism, Volume 3, Board of Governors of the Federal Reserve System, 1972.

 "The Economics of Euphoria," pp. 100-103.
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10000
7500
5000
4000
3000
2500
2000
1500
1000
900
800
700
600
500
400
300
200
100
75
50
25

Total percentage change



Annual rate of change (per cent)

15
14
13
12
11
10
9
8
7
6
5
4
3
2
1
0