blurred, if not obliterated, such border lines as may earlier have existed between the public and the private sectors. Along with its growth as a source of market demand, employment and transfer payments, the government's share of total domestic tangible wealth (structures, equipment, inventories, land, etc.) has risen from about 7% in 1900 and 9% in 1929 to an estimated 14% in 1966. Alternately, this means that the share held by the private sector dropped from 93% in 1900 to 86% in 1966. The lion's share of public tangible assets is owned by State and local governments. In 1958 this share amounted to $165 billion compared to $50 billion held by the Federal government, according to Kendrick's estimates.

TABLE 5.—*Tangible wealth by economic sectors*

	1900	1929	1958	1966
Tangible assets [1] (billions of current dollars)	88	423	1,654	2,390
Share held by private sector (percent)	93	91	87	86
Share held by public sector (percent)	7	9	13	14
Federal	1	1	3	(2)
State and local	6	8	10	(2)

[1] Exclusive of gold.
[2] Not available.

The production of electric energy is the classic illustration of entrance of government into an industry previously privately financed and owned. In 1929 the publicly-owned facilities accounted for only 5% of all electrical power generated for public use. Investor-owned utilities have raised their output from 88 billion kilowatt hours then to more than 881 billion kilowatt hours in 1966. However, government owned electrical energy output continues to outstrip even this high rate of expansion, so that currently nearly 23% of all power is publicly produced against 5% in 1929. Federally-owned facilities have undergone phenomenal growth in the 1929–1966 period. In 1929, for instance, only 300 million kilowatt hours were generated while by 1966, 153 billion kilowatt hours of electricity were produced by Federally owned facilities. The 1966 figure is *510* times the 1929 output compared to a far more modest *25* fold expansion in state and local power output and a comparatively flimsy *10* fold rise in private power production.

TABLE 6.—*Electrical energy production*

	Total production	Percent publicly owned	Publicly owned			Privately owned
			Federal	Municipal	State [1]	
	Millions of kilowatt-hours		*Millions of kilowatt-hours*	*Millions of kilowatt-hours*	*Millions of kilowatt-hours*	*Millions of kilowatt-hours*
1929	92,180	5.1	300	3,916	451	87,510
1950	329,141	18.9	40,387	16,101	5,793	266,863
1966	1,143,737	23.0	153,021	52,558	57,309	880,480

[1] Includes cooperatives.

In similar fashion, the Rural Electrification Administration's activities grow and assume new dimensions well after fulfillment of its original purpose of electrification of all farms. It, too, has moved into commercial-type ventures aided by the low interest rate at which it can borrow funds from the Federal Government.

In shipbuilding, distribution, particularly through PX operations, construction and printing, are other major sectors where Federal government enterprise competes vigorously with private business. Sales of Government-run commissary and PX operations totaled $3.2 billion in 1965 placing this government enterprise third in sales of the top ten U.S. retailers, outranked only by Sears, Roebuck and A & P.