

**ECONOMICS FOR  
EXECUTIVES, THE  
FINANCIAL OF  
PRODUCTION. PP. 7-59**

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**GEORGE E. ROBERTS**


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# ECONOMICS FOR EXECUTIVES

A SERIES OF TWENTY-FOUR  
READING TEXTS WHICH CONSTITUTE  
AN INTERPRETATION OF  
THE UNDERLYING PRINCIPLES  
OF ECONOMICS AND BUSINESS  
FOR MEN AND WOMEN IN  
PRACTICAL LIFE

EDITED BY  
GEORGE E. ROBERTS



AMERICAN CHAMBER OF ECONOMICS  
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READING TEXT IX—ECONOMICS FOR EXECUTIVES

# THE FINANCING OF PRODUCTION

EDITED BY  
GEORGE E. ROBERTS

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# THE FINANCING OF PRODUCTION

## I

### The Significance of Finance

**A** COMPLETE understanding of production requires a fuller consideration of financing than we have hitherto undertaken. The most troublesome relations between the agents of production—enterprisers on the one hand and laborers, capitalists, and landlords on the other—are their financial relations. The relations of producers and consumers are also primarily financial. No understanding of production, therefore, which does not embrace a full appreciation of how it is financed, can serve as a basis for profitable business or for that cooperation among producers which economic progress so urgently requires.

#### *The Enterpriser as Financier*

The enterpriser, in particular, must have considerable financial knowledge to help him in deciding what to produce and how to produce it. A mere knowledge of the technical methods of production is not enough.