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THE OUTLOOK FOR COTTON AND COTTONSEED

At the recent meeting of the Cotton Research Congress held in Dallas, Secretary of Agriculture Charles F. Brannan, speaking on "Cotton Makes a Comeback," gave a brief but comprehensive picture of the position of cotton today and some of the problems it faces in the future. Mr. Brannan stated that the outlook for American cotton in the years immediately ahead is better than it has been for at least two decades. The domestic surpluses of the 1930's have been reduced and our carry-over is now at a comfortable level. This situation has resulted, he said, from a better balancing of cotton production with domestic cotton needs, increased domestic consumption of cotton, and government programs for financing shipments of cotton to foreign countries. The Secretary added that the present situation also is favored by a "world carry-over which is not alarming" and a need for textiles which is probably at, or close to, an all-time high. If cotton is to continue to enjoy a favorable outlook, however, Mr. Brannan emphasized that research, aggressive and forward-looking domestic programs, high-level exports, and increased domestic consumption must be maintained.

In viewing the world cotton situation, Mr. Brannan stated that the carry-over of cotton by foreign countries is declining. World production during the last few years has been at a relatively low level and is now exceeded by consumption. If this should continue, there would be a shortage of cotton in the not too distant future. However, Mr. Brannan pointed out that some of the factors which reduced world cotton production during recent years were temporary and foreign production is now increasing. Furthermore, while great unfilled needs for cotton goods abroad

remain, the lack of funds is an obstacle to continued large consumption of American cotton in foreign countries. It was emphasized, therefore, that the future for cotton is associated with the revival of purchasing power in the world. Finally, Mr. Brannan stressed the point that our cotton must prove that it can meet the price and quality competition of substitutes and foreign cotton under conditions of normal markets.

Some of the problems involved in maintaining and enlarging the demand for cottonseed were discussed at the Research Congress by Dr. N. R. Whitney, economist for Procter and Gamble Company, Cincinnati, Ohio, in an address on the subject "Domestic Markets for Cottonseed and Cottonseed Products." The demand for cottonseed, said Dr. Whitney, is derived from the demand for its products—oil, meal, linters, and hulls. Cotton linters are used in the production of cellophane, shatterproof glass, paint, photographic films, paper, plastics, surgical dressings, and many other products. The oil is used for edible purposes in the form of margarine, vegetable shortening, salad oil, and cooking oil. Cottonseed meal is used as feed for livestock and poultry and as fertilizer, while the hulls are used mainly in the form of roughage. According to Dr. Whitney, the problem is to find markets for cottonseed products, for in so doing there will be created a market for cottonseed.

Chemical research and manufacturing techniques have made great strides in creating products from cottonseed for which a demand may be stimulated, said Dr. Whitney. However, after the research work of the chemists has been completed, the task of find-

ing a market for the products requires a tremendous amount of intelligence and labor, for each product obtained from cottonseed faces intense competition from other products which may be used for the same or similar purposes. Dr. Whitney emphasized that the maintenance of a large market for cottonseed will depend on further work on marketing phases of the problem.

According to Dr. Whitney, a market strategy designed to enlarge the demand for cottonseed products in the face of constantly growing competition from similar products should include six fundamentals: (1) the discovery of new and wider uses for the products, (2) maintenance of quality and of honest standards, (3) maintenance of prices of the products at competitive levels, (4) stability of prices, (5) intelligent and unremitting advertising, and (6) an adequate supply to provide for a moderately stable annual usage.

It was the opinion of these and other speakers at the Cotton Research Congress that there is a hopeful outlook for cotton and cottonseed but that future developments with respect to these commodities will depend on many factors and that strenuous efforts must be made constantly by all members of the industry to produce better products at lower costs in order to meet the competition of foreign cotton and domestic synthetics. Throughout the meeting it was emphasized that research is still the magic word in cotton's rise to a position of greater usefulness and is the key to a future of stable, assured markets for cotton products in this country and throughout the world.

FARM MANAGEMENT

Trench Silos Cost Less; Construction Simple

It is possible for the farmer of small means, and even for the tenant farmer, to have a trench silo, says H. M. Haws, Jr., Oklahoma A. and M. College agricultural engineer. A large percentage of Oklahoma farms are operated by tenants, and there are many owners who cannot afford to have an expensive silo.

For these people the trench silo has a place, he explains, for it provides a cheap and satisfactory method of storing feed during any season, and particularly during dry seasons when forage crops are threatened by drought.

There are several advantages of the trench silo: the cost of construction is low, it can be made any desired size and can be built on short notice for an emergency, it is fireproof and windproof, and it is easy to fill and to remove the silage. Probably the most desirable type is the silo lined with concrete and reinforced with a double layer of heavy hog wire. After the trench is dug, walls smoothed down, and the wire put in place, a three-inch layer of concrete should be applied, followed by a plaster finish.

Local county agents can provide bulletins and advice on construction of trench silos.

Fertilizers Applied to Grains Prove Profitable in Blacklands Tests

In the fall of 1947, plantings of several small grains were made by the Texas Research Foundation, Renner, Texas, to determine their response to fertilizer. Four separate plots of each kind of grain were planted. In each group one plot was not fertilized, the second received an application of 500 pounds of 4-12-8 fertilizer per acre at planting time, the third was given a nitrogen topdressing in the spring, and the fourth had 4-12-8 fertilizer at planting time plus nitrogen topdressing in the spring.

The yields were harvested and measured in terms of bushels per acre. Wheat yields produced without fertilizer averaged 22.2 bushels per acre, and the addition of ammonium nitrate alone made little difference. Use of the 4-12-8 fertilizer increased yields to 27.9 bushels, while application of both fertilizers raised production to 30.4 bushels per acre.

Oats responded greatly to both ammonium nitrate and 4-12-8 fertilizer. The ammonium nitrate produced a yield of 39.1 bushels per acre as compared with 31.2 bushels on unfertilized land. Use of 4-12-8 fertilizer produced 43.5 bushels per acre, while application of both fertilizers raised the yields to 57.5 bushels per acre.

Winter barley yielded 16.8 bushels on untreated land, but yields were increased to 21.8 bushels by use of ammonium nitrate. Use of 4-12-8 fertilizer raised yields to 24.4 bushels per acre or about 8 bushels above the yields on untreated soil. Application of both ammonium nitrate and 4-12-8 fertilizer raised yields to 35.1 bushels per acre or more than double the yield on unfertilized land.

The conclusion to be drawn from these experiments is that fertilizer applied to small grains on Blackland soils may be very profitable. Under present price relationships, additional yields more than offset the cost of these fertilizers.

Save Farm-Stored Grain From Insects

Insects in farm cribs do tremendous damage. A thorough job of housecleaning bins and spraying them with DDT before newly harvested grain is stored will rid the bins of hold-over infestation and will give new grain a good chance to escape damage. With another corn harvest in the offing and in the face of urgent need for food and feed conservation, the cooperation of all grain farmers in a pre-harvest crib-cleaning campaign is being sought.

Information on methods of controlling insects in grain cribs is available from all county agents and state entomologists. Two informational leaflets, "Save Farm Grain by Fumigation" and "Save Farm-Stored Grain from Insects," issued cooperatively by the Office for Food and Feed Conservation and the Bureau of Entomology and Plant Quarantine, are available from county agents.

Farm Machinery Outlook

Production of farm equipment, currently at the highest rate in the history of the industry, is still inadequate to meet the demands of the American farmer and export requirements, according to a recent industry survey made by Standard and Poor's Corporation of New York. Shipments of agricultural machinery, including tractors for nonfarm use, rose 48.5 percent in 1947, and production figures

of individual companies indicate a further increase this year of 20 to 25 percent.

Determined efforts to hold down prices have been made by the more efficient units in the industry, with the result that the increase in farm equipment prices has been less than that for manufactured goods generally. However, rising wage costs and pressure on margins recently prompted one of the larger manufacturers of farm machinery to lift prices on tractors by an average of 10 percent. Other producers will undoubtedly do likewise and price increases on additional items are probable, according to this report.

The present exceptional demand for equipment reflects high farm income in this country, the relative shortage of labor on farms, and the urgent need for continued large production of food and fibre throughout the world.

Oil for the Farm

In view of the large production of petroleum, an adequate supply of gas and oil for the farm may easily be assumed or taken for granted, but this assumption appears unwarranted, according to *PhilFarmer*, published by Phillips Petroleum Company. The total supply of oil products this summer is expected to be the largest in history, but, like the farmer, the oil industry is facing an unprecedented demand for its products. The industry expects to meet farmers' needs but there is little margin to spare, and this may be lost if there is interference with production and distribution of oil or if bumper crops increase the current record demand for oil.

Farm use of motor fuel alone is twice the prewar level. The number of tractors on farms in the United States has almost doubled since 1940, while the number of automobiles and trucks has also increased substantially, not to mention innumerable other oil-consuming units such as self-propelled combines, hay balers, pumps, and electric generators.

Despite records being established in oil well drilling activity, new refineries being built and old ones operated at or above capacity, and imports of oil exceeding exports, the oil

industry is scarcely more than able to supply current needs of farm and nonfarm consumers.

COMMODITY NOTES

Commodity Purchase Agreements Offered to Farmers

Purchase agreements as well as commodity loans on 1948-crop wheat, oats, barley, rye, grain sorghums, rice, dry beans, and dry peas will be offered to farmers as a means of price support for this year's crops, according to a recent announcement by the United States Department of Agriculture. The offer will be open to farmers from time of harvest through December 31, 1948, on substantially the same terms as those which applied to the 1947 crop in all states and counties where commodity loans are available.

The Commodity Credit Corporation will accept any quantity up to the maximum stated by the producer during the 30-day period immediately following the maturity date of the 1948 loan, which is April 30, 1949, or earlier on demand of the farmer. Purchase prices will be the same as the corresponding loan delivery rate.

FARM LABOR

Farm Wage Rates Continue Climb Employment Lower Than a Year Ago

Farm wage rates in the Nation as a whole reached a new high on July 1, 7 percent above a year ago, according to *Farm Labor*, published by the United States Department of Agriculture. Between April 1, 1948 and July 1, farm wage rates rose 8 percent, a more than usual seasonal increase. Farm wage rates in the West South Central States on July 1 were 391 percent of the 1910-14 average, 1 percent above the June level, and 7 percent above the level of July 1947. In relation to the pre-World War I wage rate level, the West South Central States reported lower wage rates on July 1 than any other section of the country except the East South Central States. Wage rates had risen to the highest level in the Pacific States, where the index was 447.

Total farm employment in the Nation on July 1 was down 400,000 from a year ago,

with hired employment the same as last year. Farm employment in the West South Central States was considerably below the level of June 1 and slightly below the level of the same date in 1947.

TECHNOLOGICAL DEVELOPMENTS

Cotton Harvesting Subject of Research

A cooperative research program to study cotton mechanization problems for Oklahoma and other western plains states is being launched by the Oklahoma Agricultural Experiment Station and the United States Bureau of Plant Industry. According to William J. Oates, project supervisor, the work includes such matters as improvement of equipment for cotton harvesting, cost studies of cotton harvesting with mechanical equipment, and studies of cotton varieties for mechanical harvesting. The research will be correlated with similar work in west Texas, which will apply to western plains areas where cotton is raised without irrigation, as distinguished from production of the crop in the Mississippi Delta, the uplands of the southeastern states, and the irrigated lands of the Southwest and West.

FARM PRICES

1948 Cotton Loan Program Announced

The average loan rate on $\frac{7}{8}$ -inch Middling cotton, gross weight, will be 28.79 cents per pound, which is 92½ percent of the parity price of cotton as of August 1, 1948, according to an announcement of the United States Department of Agriculture. The parity price on August 1 was 31.12 cents per pound. The loan rate of 28.79 cents per pound this year compares with 26.49 cents per pound last year. The average rate for 15/16-inch Middling cotton will be 1.95 cents per pound above the average for $\frac{7}{8}$ -inch Middling cotton, or 30.74 cents per pound.

ANNOUNCEMENTS

Meeting

The Texas Poultry Improvement Association Convention will be held at the Buccaneer Hotel in Galveston, Texas, during the four days September 13-16.