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THE TRADE FUTURE OF U. S. AGRICULTURE

In a recent talk, Raymond A. Ioanes, Administrator of the Foreign Agricultural Service, reappraised U. S. trade relations in the light of the European Economic Community veto of Britain's bid for membership. This article summarizes Mr. Ioanes' remarks.

Instead of joining the Common Market (which is comprised of Belgium, France, Holland, Italy, Luxembourg, and West Germany), Britain organized the European Free Trade Area in 1959. This organization is known as "EFTA" but is sometimes called the "Outer Seven." In addition to the United Kingdom, it includes Austria, Denmark, Norway, Portugal, Sweden, and Switzerland. Although it has been submerged for many months by Common Market developments, EFTA is still a "going" organization, with headquarters at Stockholm, Sweden.

Governments, like people, change their minds, and the United Kingdom gradually decided that Britain's ties with the Common Market should be strengthened. The Common Market agreed to explore the situation, and negotiations were started. However, the negotiations were unsuccessful.

Mr. Ioanes says that, although there are some trouble spots, he does not believe that the European export market has "come clattering down about our ears." The following are his views regarding the present situation.

For the period ahead, the United States retains its liberal access to the United Kingdom market. The United Kingdom traditionally has

followed liberal agricultural trade policies, from which American farmers have benefited. In 1962, this country's trade with Britain in such important items as corn, wheat, lard, tobacco, and fruit products amounted to \$460 million, making that country the second-best cash customer.

One point in dispute with respect to the United Kingdom's membership in the Common Market is the extent to which the Community should accord reasonable terms of entry to outside agricultural suppliers. The future of agricultural exports of other European countries not included in the Common Market is difficult to appraise. Future exports of these countries depend upon the attitudes of individual governments in the Common Market, as well as upon the decisions of the "outside" countries.

Denmark, for example, has cast her lot with the United Kingdom but also has done a considerable amount of agricultural trading with the Common Market. Norway has indicated that she will not press her application for membership in the Common Market. Other EFTA countries probably are looking at their trade balances, as well as weighing such intangible factors as old commercial ties, cultural contacts, and the philosophy of liberal trade versus protectionism. Spain and Turkey — which are not now aligned with either the Common Market or the EFTA — also must make decisions.

Mr. Ioanes states that, in addition to agricultural trade, other issues which must be

resolved include the molding of a nuclear arms policy, development of a European third force vis-à-vis an Atlantic alliance, and the ever-present danger of Communism. All of these issues will have to be settled in Europe.

The rejection of United Kingdom membership in the Common Market focuses attention on the need for a new look at trade opportunities in non-Common Market countries. The Common Market takes about one-third of the farm products this country sells for dollars; other free world countries take two-thirds. There are substantial opportunities for expansion of U. S. trade with free world areas. Japan is a rapidly growing market for this country's feed grains and soybeans and could take larger quantities if her tariffs were reduced further; Canada could take more U. S. poultry, particularly turkeys. Recent events have emphasized the need for strengthening all of our trade ties, according to Mr. Ioanes.

The United States is still faced with the problem of obtaining access to the Common Market for some of its major farm products. The FAS Administrator believes that U. S. products can obtain access to the Common Market; however, shrewd, tough negotiations will be required.

The new authority provided by the Trade Expansion Act of 1962 will be most helpful at the negotiating table. The United States plans to use the new trade act to negotiate a great interlocking system of liberal and expanded trade. In order to achieve this objective, negotiations on agricultural and industrial tariffs, particularly with the Common Market, will have to be treated as a single package.

This Nation sells the Common Market over four times as many farm products as it buys from them. Thus, the United States must be prepared to offer concessions on industrial imports in exchange for concessions the Common Market offers this country on farm products. The policy of the United States is to avoid any move to separate the final settlement of agricultural and industrial products. At the next round of tariff negotiations, this country is prepared to consider, on a reciprocal basis, further reductions of U. S. tariffs on agricultural products.

The United States already follows a very liberal policy with respect to agricultural imports that compete with domestic production. This Nation admits, on an unrestricted basis, imports of such competitive commodities as fresh and frozen beef and lamb, pork, a large variety of canned meat products, vegetable oils, fruits, vegetables, tobacco, and feed grains. Tariffs on these items generally are moderate; consequently, there is justification in asking for access for U. S. products.

At the general round of tariff negotiations, the United States could be asked to subject her own price, production, and trade policies to international review within the context of international commodity arrangements which impose such obligations equally on all members — both importing and exporting countries. According to Mr. Ioanes, this Nation has much to gain from such a review, provided the obligations exchanged are truly reciprocal.

International commodity arrangements have been suggested as the means of settling trade problems confronting producers of Temperate Zone farm products, particularly grains. Under appropriate conditions, the United States is prepared to consider such arrangements for a limited number of products. These conditions include a prior understanding of the objectives and purposes of the agreements, especially firm arrangements for assuring the flow of trade. However, international commodity arrangements, where they are used, must be tied into the forthcoming general round of tariff negotiations.

The FAS Administrator says that world trends point to a liberalized farm trade. He believes that liberal trade will flourish some day because of man's desire to upgrade his standard of living.

The long-term trend of world events favors an expansion of agricultural trade on a liberal basis. The industrialized countries of the world need export outlets, which means that they must produce as efficiently as possible. Industrialized nations, therefore, want reasonably priced food; but they cannot obtain it if their own agricultures are sheltered from the effects of international competition. The United

States, with an agriculture of unparalleled efficiency, is in a position to gain in this process of exchange.

Feed Use Patterns in Oklahoma



Recent studies at the Oklahoma Agricultural Experiment Station indicate that there are definite patterns of feed use in feedlots by areas within the State. Grain sorghum is the leading feed grain in both western and central Oklahoma feedlots, while corn is more important in eastern areas. Barley is a major feed grain in small lots in western sections.

The Oklahoma studies show that the use of feed grown by commercial feedlot operators is of minor significance in the State. Whenever possible, however, feedstuffs are purchased locally.

Nearly 60 percent of the feed grain, almost all of the hay, more than one-third of the cottonseed hulls, and more than one-half of the supplement fed during the 1960 feedlot marketing year were purchased within 25 miles of the lots in the study. In shipments from other states also were significant, accounting for 28 percent of the feed grain and 30 percent of the hulls fed by commercial lots. Kansas and Texas are the principal out-of-state supply sources for Oklahoma feed grain.

New Purple Hull Southern Pea

Burgundy is a new semibush-type southern pea that is recommended for Texas. It is superior in production, quality, and shelling to other purple hull peas, according to the Texas Agricultural Experiment Station. The product is attractive in appearance and is of excellent quality for fresh market, freezing, or canning.

Plants of the new variety are upright and free of runners under close spacing and dry-land conditions; under irrigation, runner development is evident. The pods are long, slender, and bright red in color at the green shell stage, turning brown at maturity. Individual peas

are large, and the eye color is light brown and does not discolor the liquid extensively in cooking.

Burgundy peas are well spaced in the pod. The pod set is concentrated, with somewhat more than 50 percent of the pods reaching maturity at one time. The pods give good shell out over a relatively wide range of maturity. Shell out in the green shell stage has averaged 52 percent. The dry seeds are short, kidney-shaped, and above medium in size, averaging 151 per ounce. The pods are nonshattering and can be harvested satisfactorily with a combine. Loss from cracking is minimal. In areas where diseases or insects are a problem, spraying or dusting Burgundy plants with approved fungicides or insecticides may be necessary.

Oil-Soaked Soils Reclaimed

Oil-soaked soils can be made productive again, reports the Oklahoma Agricultural Experiment Station. Studies show that fertilizers and organic materials are effective reclamation tools.

Oklahoma researchers have found that cottonseed burs promote microbiological decomposition of petroleum hydrocarbons and are very effective in reclaiming oil-soaked soils. When salt water has been drained on the soil along with the oil — as frequently is the case in oil-producing areas — flushing and leaching are needed to remove the oil.

New Method for Boll Weevil Eradication

A technique involving male insect sterilization to help eradicate the cotton boll weevil population in a specific area has been demonstrated successfully in a small-scale, isolated field test, reports the U. S. Department of Agriculture.

The successful field test for this method of boll weevil eradication was conducted by entomologists of the USDA's Agricultural Research Service in Plaquemines Parish, Louisiana (about 60 miles south of New Orleans). Male boll weevils released on the test site had been sterilized in the laboratory by being

dipped in apholate, an effective chemical sterilant. Female boll weevils that mate with sterile males lay eggs which do not hatch, resulting in self-destruction of the insect population.

ARS officials believe that boll weevils can eventually be eradicated by this technique because of certain favorable factors that do not apply to some other insect species. For example, the boll weevil depends primarily on cotton for survival. In addition, methods now exist for reducing the boll weevil population to a low level before initiating an eradication program.

A Better Pork Chop



University of Wisconsin researchers say that the three principal factors that make one pork chop better than another are the weight and age of the pig and the amount of marbling in the chop, reports the Louisiana Agricultural Extension Service. One taste panel rated samples from 400 hogs and found the amount of marbling consistently was related to tastiness. Cuts with intramuscular fat were preferred because of their flavor, tenderness, and juiciness.

Cuts from younger and lighter pigs also were preferred, but not for the same reasons. Pork that rated highest with the Wisconsin panel came from pigs that were not older than 9 months and not heavier than 180 pounds.

Age and weight, however, had little effect on the ratings for bacon; marbling was most important. Bacon with a large amount of intramuscular fat in the loin was preferred. The University of Wisconsin researchers point out that a well-marbled loin does not mean a fat bacon; it means a good bacon. In selecting pork, a reliable guide to quality is its color. Studies show that dark meat is juicier, less acidic, and loses less weight in cooking.

Texas Nurserymen Have Problems

The average wholesale nurseryman in Texas has been established for 19 years and has more than \$100,000 invested in land and buildings,

according to a new publication of the Texas Agricultural Experiment Station entitled *Wholesale Nursery Industry of Texas*. Nurserymen have substantial amounts of land, labor, and capital tied up in nursery stock, since more than 60 percent of their plants are not sold until they are at least 2 years of age.

Labor accounts for about 60 percent of the operating expenses of a wholesale nursery; consequently, more efficient use of the labor force and upgrading of the type of labor employed offer the best opportunities for cost reduction. In addition, adequate cost information is necessary in order to determine how expenses can be reduced.

The trend toward container-grown and balled and burlapped plants has increased the weight of individual plants and thus increased the cost of transportation. However, improved merchandising can help overcome this problem. The appearance and location of the sales areas, the attitudes of the sales people, and the methods of selling and displaying the merchandise are important factors in the nursery industry. Product information, consumer education, and such quality controls as the establishment of grades and standards are badly needed, according to the Texas Agricultural Experiment Station. Moreover, consumer preference studies would be beneficial to nurserymen.

Preparation of Citrus Cartons Speeded

A new device has been developed to form and assemble telescoping cartons used for packing citrus fruits, reports the U. S. Department of Agriculture. The new equipment, which is simple and inexpensive, saves from one-third to two-thirds of the labor required by the usual methods. It consists of several metal rods which are curved and shaped so that cartons can be formed on them quickly.

A copy of the report, *A Device for Forming Two-Piece Telescoping Cartons*, AMS-490, may be obtained from the Marketing Information Division, Agricultural Marketing Service, U. S. Department of Agriculture, Washington 25, D. C.