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FARM EXPORTS ARE IMPORTANT TO SOUTHWESTERN AGRICULTURE

U.S. agricultural exports amounted to \$6.3 billion during the fiscal year ended June 30, 1968, or nearly 15 percent of total cash receipts from farm marketings. According to the U.S. Department of Agriculture's Economic Research Service, this volume of production required 71 million acres of U.S. cropland and makes the United States the world's leading exporter of agricultural products. The USDA estimates that the Nation's farmers provided nearly one-fifth of the world's agricultural exports in 1967-68.

Fiscal year 1968 marked, however, the first decline in U.S. exports over a 5-year period. A considerable part of the overall decline in the value of agricultural exports last year was due to lower prices. Although the total value of exports declined 7 percent, physical volume fell only 2 percent, which accounted for less than a third of the decline in value. The decline in value of exports last year occurred in commercial sales for dollars. These sales declined from \$5.2 billion in fiscal 1967 to \$4.7 billion last year. Exports under Government programs and barter exports were about the same as in the previous year.

The fact that agricultural exports under Government programs did not decline last year can be attributed to increased efforts. The USDA, in cooperation with agricultural and trade groups, has led an aggressive promotional program in most of the principal foreign markets. These groups have promoted agricultural exports by using trade fairs and centers and

by giving technical assistance in the development of new uses for U.S. agricultural commodities in foreign markets.

A breakdown of agricultural shipments demonstrates how important these selling programs have been in adding to cash flows of southwestern farmers. Export shares for each of the states in the Eleventh Federal Reserve District are estimated according to the state's contribution to the Nation's output.

The five southwestern states of Arizona, Louisiana, New Mexico, Oklahoma, and Texas accounted for nearly 15 percent of all exports of agricultural commodities in fiscal 1968. The importance of the Southwest in total U.S. agricultural shipments lies in the fact that the four major crops in the District states — rice, cotton, wheat, and feed grains — are also the leading U.S. agricultural export commodities. In fiscal 1968, the District states accounted for over one-half of U.S. exports of both cotton and rice, 14 percent of feed grain shipments, 11 percent of exports of hides and skins, 10 percent of wheat shipments, and about 8 percent of red meat exports.

Texas was the leading export state in the District, accounting for over one-half of the five-state total, followed by Louisiana, Oklahoma, Arizona, and New Mexico. Texas, with a total of \$551 million, ranked second to Illinois as the Nation's chief agricultural export state. Since 1953-54, the largest increase in farm shipments by state has occurred in Texas.

Value of Export Shares of Agricultural Commodities

Five Southwestern States

(Dollar amounts in millions)

Area	Rice	Cotton	Wheat	Hides and skins	Feed grains	Meat and products	All commodities
Arizona	\$ 0.0	\$ 29.0	\$ 2.4	\$ 0.7	\$ 8.1	\$0.5	\$ 61.1
Louisiana	83.5	26.6	2.4	1.1	0.3	0.5	155.2
New Mexico0	10.0	2.4	.8	5.5	0.5	23.5
Oklahoma0	12.3	71.6	1.6	6.2	1.3	114.9
Texas	98.0	176.2	42.9	8.3	118.6	5.6	551.2
Southwest	\$181.5	\$254.1	\$121.7	\$12.5	\$138.7	\$8.4	\$905.9
Southwest as a percent of United States	53.5	53.5	10.2	11.2	13.9	8.0	14.3

SOURCE: U.S. Department of Agriculture.

These export figures point out the dependence of southwestern farmers upon foreign demand for their products. The ability of this country to continue selling in foreign markets

in the future will depend importantly upon the success in reducing barriers to imports of agricultural commodities. Thus, farmers in the region have a real stake in trade negotiations.

National Agricultural Credit Conference

The recent proceedings of the 17th National Agricultural Credit Conference, sponsored by The American Bankers Association and held in Oklahoma City, centered around the theme "Banking Focuses on the New Agriculture." Several trends in modern agriculture were discussed, but all such topics emphasized the fact that the relationship between the farmer and his banker is rapidly becoming more business-like. The modern farmer, with his increasing use of credit as "just another productive input," is becoming a better bank customer.

On the other side, local bankers are realizing that productive skills require sound financing. The new relationship between the farmer and his banker is based upon sound records, which speak for the farmer and serve as the basis for the banker's decision of whether credit is justified. The new relationship is essential for the sound development of agricultural credit. The farmer takes a completely new view of his banker, and at the same time, the farmer realizes that the new relationship is beneficial to both parties. With a modern approach to farm credit, there is every reason to believe that sufficient agricultural credit will be forthcoming.

1969 Cotton Program

Cotton growers will be operating under some new provisions in the cotton program next year. The 1969 cotton program eliminates all land diversion requirements and offers a higher price-support payment rate. In the 1968 cotton program, participating farmers were required to divert 5 percent of their cotton allotments and had the option of diverting an additional 30 percent of their allotments. Farmers received a price-support payment of 12.24 cents a pound for the projected yield on the remaining 65 percent of their allotments.

Under the 1969 program, the price-support payment will be 14.73 cents a pound. The U.S. Department of Agriculture estimates that the program will enable growers to produce between 12.5 million and 13.0 million bales next year, or about 17 percent greater than the estimated 10.9 million bales for 1968.

In adopting the new provisions, the USDA followed the recommendations of the Cotton Advisory Council, which felt that a larger cotton supply is needed to make the commodity more competitive with man-made fibers and foreign cotton. The changes in the program are expected to cost the Government about \$25 million more than the present program.

Cattle on Feed

The number of cattle on feed in Texas continues to increase. According to the Texas Crop and Livestock Reporting Service, there were 1,007,000 head of cattle and calves on feed on November 1, or 11 percent more than a month ago and 34 percent above the number on feed a year earlier. Feedlots with a capacity of 1,000 or more head held 96 percent of the total number of cattle on feed. In Arizona, there were 389,000 head of cattle and calves on feed as of November 1, or 16 percent more than a month earlier and 10 percent above a year ago.

Fall and Winter Fertilization

One of the present causes of the excess capacity in the fertilizer industry is the inability of producers to sell farmers on the idea of fall or winter fertilization. Currently, approximately three-fourths of all fertilizer materials are applied in a 2-month period in the spring. Since the amount of fertilizer applied is dependent, to a large extent, upon weather conditions, fall or winter fertilization could contribute to a more orderly marketing situation by reducing the time period between the production and final consumption of fertilizer materials and, thereby, lowering the storage costs.

The principle of winter fertilization has many built-in advantages for farmers in addition to giving producers a better opportunity to utilize plant capacity more efficiently. By applying fertilizers in the fall or winter, farmers can usually purchase these materials at lower prices or receive cash discounts and can obtain more rapid service since distributors are not in the usual spring rush.

In the past, some agronomists have had objections to winter applications of fertilizers, especially of nitrogenous fertilizers. Recent studies have shown, however, that the application of fertilizers — including ammonia — in the fall or winter is, in many areas, superior to spring fertilization for most major crops.

Dr. C. D. Welch, Extension Soil Chemist at Texas A&M University, recently made some

Cotton and Peanut Referendums

During December 2-6, 1968, the Nation's cotton and peanut producers will have an opportunity to vote, by mail, on marketing quotas for their crops. According to Texas A&M University, cotton growers will vote in order to determine whether or not marketing quotas will be effective in 1969, and peanut producers will vote on a 3-year continuation program. Details on the referendums are available from local offices of the Agricultural Stabilization and Conservation Service (ASCS).

suggestions on fall and winter fertilization which should concern both producers and buyers of fertilizers. According to Dr. Welch, phosphorus and potassium can be applied well ahead of planting time, with little loss of fertilizer substance. Phosphorus in fertilizers is soon converted to new forms in the soil and remains stationary unless the soil is disturbed by plowing or disking. Potassium is also held by soil particles and stays in place except in sandy soils, which are low in clay and organic matter.

Dr. Welch said that the big question about fall and winter fertilization still concerns the use of nitrogen. Losses and reduced availability of nitrogen will vary with soil properties, temperature, and moisture conditions. Ammonium nitrogen is held by clay particles and generally remains near where it is placed in the soil. If nitrogen in the ammonium form is used, it should not be applied until the soil temperature is below 50-55 degrees F. When the soil temperature is above the range of 50-55 degrees F., soil bacteria convert ammonium to nitrates at an accelerated rate and losses could occur. Since nitrates are mobile and shift with the soil, they could be lost in areas with heavy winter rainfall.

The most acceptable dates for fall and winter applications of nitrogen vary with the different regions, says Dr. Welch. Each set of soil and management conditions should be evaluated. One practical approach would be to apply phosphorus and potassium early in the year and to apply nitrogen closer to planting time.

Careful Site Selection Cuts Building Costs

Proper selection of the construction site can reduce the cost of a new farm building, says W. S. Allen, Extension Agricultural Engineer at Texas A&M University. If a level, well-drained site is available, it will be a big help in keeping costs at a minimum. There will be little or no need for such equipment as bulldozers, earth movers, and backhoes. In addition, savings on foundation materials will be possible.

If practicable, grading should be done before construction of the building is started, thus permitting the equipment to proceed without hindrance. Moreover, grading prior to construction of the building reduces costly hand labor that might be required in order to reach areas that would not be accessible to the equipment if construction were under way.

When fills are necessary, adequate and properly reinforced foundations must be provided. Mr. Allen advises the thorough packing of fills within buildings or lots where concrete floors or pavement will be used. If such precautions are not taken, settling may cause the concrete to crack and be uneven. Earth that is spread and packed in shallow layers will settle less than that which is dumped in greater depths and packed only from the top. Moist earth packs better than dry soil. Mr. Allen advises the use of sheep-foot or wheel-type rollers to pack the earth as it is spread.

Doubleheader

A chemical treatment for cotton that may prove to be doubly beneficial is currently being developed by utilization research scientists with the U.S. Department of Agriculture. The treatment appears to be effective both as a rot- and weather-resistant finish for outdoor cottons and as a prefinish to improve the wear performance of durable press cottons.

Based on commercially available chemicals (methylolmelamine and a catalyst made from a mixture of two zinc salts), the finish is resistant to micro-organisms that usually attack and destroy cotton very quickly. The finish also

makes the fibers tougher without making them harsh to the touch.

In limited tests for rot resistance in specially prepared soil beds — probably the harshest test to which cotton can be subjected — the treated fabrics lasted more than 12 weeks, or about three times as long as fabrics receiving conventional rot-resistance treatments. Untreated samples were destroyed in less than 1 week.

The USDA says that the finish can be applied with standard textile-finishing equipment. The fabric is wetted in the chemicals, dried, and finally cured by heating the impregnated fabric to about 320° F. for about 1 minute. Chemical deposition in the fibers of the fabric is efficient, and the fabric retains virtually all of its original breaking strength. This high-strength cotton fabric is desirable for outdoor fabrics, a market that consumes an estimated equivalent of at least 250,000 bales of cotton annually. High strength is also especially desirable in fabrics that are to be given an additional chemical treatment for durable press garments.

Upside-Down Peanuts

Peanuts dry faster and more uniformly when they are turned upside down in windrows than when they are dug and windrowed in random fashion, reports the Agricultural Research Service. The inverted windrows offer the advantages of better exposure for drying, less chance of molding, and reduced harvesting losses.

G. B. Duke, an agricultural engineer with the ARS, is developing equipment that will dig up peanuts and place them upside down in the windrows in the same operation. Most diggers now used place peanuts only in random windrows.

These conclusions were derived from tests conducted at the Tidewater Field Station at Holland, Virginia, but conditions are similar in other peanut-producing states. Peanuts are now combine-harvested in Virginia, North Carolina, Georgia, Florida, Alabama, Texas, and Oklahoma, the major peanut-growing states.