

NORTH CAROLINA'S 1952

AGRICULTURAL OUTLOOK



COOPERATIVE EXTENSION WORK
IN
AGRICULTURE AND HOME ECONOMICS
STATE OF
NORTH CAROLINA

EXTENSION SERVICE

NORTH CAROLINA STATE COLLEGE OF
AGRICULTURE AND ENGINEERING,
NORTH CAROLINA COUNTIES AND
UNITED STATES DEPARTMENT OF
AGRICULTURE COOPERATING

Jan. 1, 1952

Dear North Carolina Farm Family:

From day to day and year to year farm families make decisions concerning the operation of the farm and the home. These decisions have as their objective the control of situations that would enable the family to make more money from the farm business and to achieve greater satisfaction.

Decisions concerning the farm business with its objective of making more money are usually concerned with what to produce, how much to produce, how to produce it and how far to carry the process of production and marketing. Outlook information, or rather, economic information, is used by every farm family in arriving at such decisions.

This type of planning involves decisions concerning expected price. The technique consists of: (a) setting up goals and objectives for the farm family; (b) analyzing the present situation on the farm, in the home and through-out the community, state, nation and world; (c) considering the many alternative ways of operation of the farm that would lead to the goals and objective; (d) measuring the most likely ways that would lead to the goals and objectives; (e) choosing and applying the methods that appear to offer the greatest success; (f) evaluating progress and revising the methods and techniques based on experience and new information as the family moves from the present situation toward their goals and objectives.

In this process, Outlook information is useful in establishing goals and objectives. It is used, mainly, in measuring the most likely alternative. The farm business may be based upon the sale of tobacco, cotton, peanuts, and corn with considerable land not used for crops or pastures and with labor available certain seasons of the year. By studying Outlook information, the farm family might decide that better use could be made of their time, and their land, and a higher income result by adjusting toward a livestock economy.

In this way the family would be using Outlook information to measure adjustments in the farm business. This is the way Outlook information is intended to be used. This is the way the family can use it to best advantage. Used this way, it can be applied to the farm business and the home operations to gain a higher income and greater satisfactions.

D. S. Weaver, Director
N. C. Agricultural Extension Service

NORTH CAROLINA FARM AND HOME OUTLOOK STATEMENT FOR 1952

North Carolina farm families are facing a year of sustained demand, domestic and foreign, for their farm commodities. Consumer incomes and employment in the United States and abroad are expected to be greater in 1952. With this increased income, consumers are expected to buy fully as much and — with some commodities — more than was purchased in 1951. Record agricultural production in 1951 and prospects for a continued high output in 1952, if the weather permits, indicate that average prices received by farmers in 1952 may not differ much from 1951. Farm costs are expected to rise by 8 to 10 per cent.

INFLATIONARY PRESSURES ARE STRONG

Pressure for high prices for the goods and services farmers buy and sell are strong. Factors that could cause an upward movement of price include the supply of money in the country, the international situation, the existing price control authority with its associated laws and administrative regulations.

Employment in 1952 is expected to require 3.5 million more people. Wage rates are expected to advance. This would bring about an enlargement and a greater distribution of the money supply. Consumers are now saving twice as much as they saved in 1950 or the first half of 1951. Eventually consumers decide that goods and services are more important than money saved. This situation should develop by late 1952 or early 1953. Only 60 per cent of the 1950 supply of durable consumer goods will be available in 1952. Choices of where to spend this saved money supply are largely limited to agricultural commodities, recreation and health services and higher prices for the available supply of all goods and services.

The impact of probable changes in the international situation on our national economy and its effect on agricultural prices is most difficult to determine. The United Kingdom and France are reporting a serious dollar shortage. No doubt this will be temporarily solved by early 1952 and to the satisfaction of most producers of tobacco and cotton. Peace in Korea, if it comes, would have only a temporary effect on the inflationary pressure.

Of far greater importance to the future of our economy is the situation in the Middle East. Many of the people in Iran, Egypt, Morocco, Arabia and India have strong nationalist aspirations. They desire a higher standard of living. They have a hatred for the great powers of the west, the United States, Britain and France. Because Russia is against the west, some of their democratic leaders would, and do welcome Soviet aid and encouragement. The West must find some way to advance their nationalist

aspirations and their standard of living without surrendering strategic positions. Any broad program used to solve this problem will be inflationary in nature. Additional action will likely be taken on it in 1952.

The existing price control legislation was designed to slow down and minimize the effect of inflationary pressures on prices and wages. However, the law and its administrative rulings permit farm prices to rise to parity or above before price ceilings can be established. It and labor-management contracts in industry make wage raises mandatory and automatic when the cost of living goes up. Farm prices represent over one-third of the cost of living. Business firms may obtain higher price ceilings according to a formula based on the cost of production and historical margins. Wages paid and raw material prices are a part of the cost of production.

Wage earners now have a "wage-parity" formula. Business firms now have a "business-parity" formula. Farmers now have a "farm-parity" formula. Each parity formula depends on the other two. The controls and the simple mathematics of the combined formulas are such that an upward movement of prices and wages is the only possible outcome. Congress could change this situation, but they are not likely to do so in 1952.

DEFLATIONARY PRESSURES HOLD DOWN PRICES

Deflationary pressures in operation include the control of credit, higher taxes, inventories and tremendous ability to produce goods and services. Controls on credit buying are now in operation. But credit controls strong enough to materially raise the rate of interest are not likely. Higher taxes were approved by Congress late in 1951. However, a federal budget deficit is expected in 1952. The people are not likely to permit high enough taxes or economy in government to create deflationary pressures.

Inventories are almost 30 per cent higher than in October, 1950. In the year ahead inventories of consumer goods are expected to decline while inventories necessary for the flow of finished defense goods will increase.

In 1951 our total output of goods and services expanded by 8 to 10 per cent. The long-time trend is for a 2 per cent expansion per year. If output can be increased by another 8 to 10 per cent in 1952 and if the increase is adequately distributed to all goods and services, the effect would not be inflationary in nature. This amount of increase was achieved in the early 1940's when there was a reserve of unemployed labor and of raw materials. These reserves are not as great now. A similar increase in 1952 would be much more difficult to obtain.

On balance it appears that the general price level of all commodities will move up 10 to 12 per cent in 1952 over the level of 1951. The greatest pressure for increased prices is in the area of durable goods. Agricultural costs will move up more than agricultural prices. However, the opportunity for profit from farming in 1952 is great for the efficient, capable farm manager.

SUMMARY OF THE AGRICULTURAL SITUATION

Cattle and *calf* slaughter is expected to increase next year, but *hog* production may be about the same as in 1951. *Milk* and other *dairy product* prices will be higher, as demand continues to increase. Continued high production of *eggs* and *broilers* is expected for 1952. Increased demand for the smaller supply of *feed grains*, particularly *corn*, will mean higher feed prices. Farmers are likely to produce sufficient wheat to meet estimated requirements and to increase stocks above the level expected at the end of the current marketing year. Supplies of potatoes are about in line with estimates of requirements. Prices are expected to strengthen through the winter and early spring of 1952.

Sweet potato production will be larger, as a result of the 1951 small crop and high prices. Carry-over stocks of cotton will be small next year; exports are expected to increase and domestic mill consumption probably will continue high. *Wool* prices will be favorable in 1952, but will not average as high as 1951. Consumption of *tobacco* in cigarettes will continue to rise next year, while exports probably will remain at about the 1951 level. The demand for lumber is expected to remain close to the relatively high 1951 level.

FAMILY LIVING SUMMARY

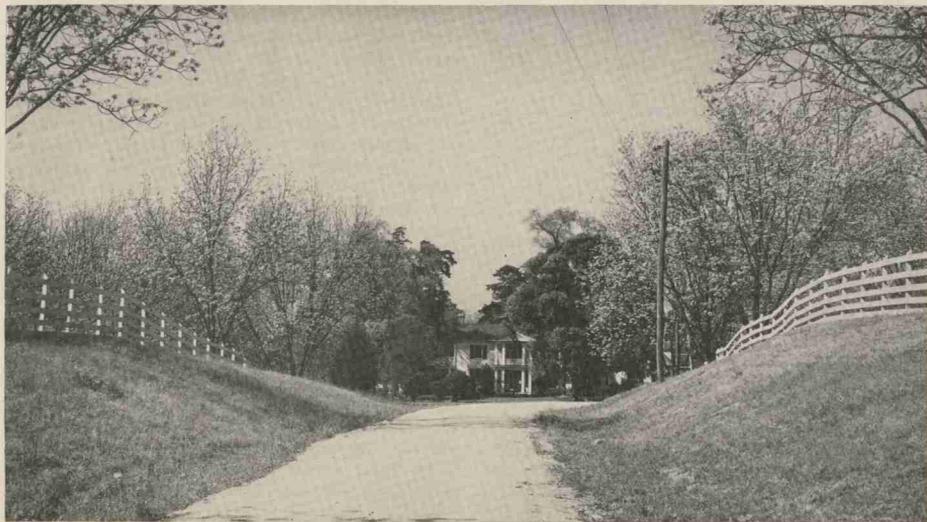
Good family life now is being put to a severe test by increasing worry, tension, uncertainty, and other problems brought about by the high cost of living and the defense program.

Strong, wholesome family life depends on good management of all resources, particularly money, time, and health, and on a calm, happy attitude. Families can best develop this attitude along with good management by thinking, planning, working, playing and worshiping together. *This is family teamwork.*

The cost of living is the highest in history and is expected to increase slightly in 1952. The supply of family living items, in general, is expected to be adequate. Durable goods using copper, steel, brass and aluminum, may be in short supply or in qualities of poorer grade due to substitution of less critical materials. This situation increases the importance of careful buying not only for type, design, and suitability to family needs, but also for quality, durability, and reliability of manufacturer and dealer.

Retail food prices in 1952 are expected to be slightly higher than in 1951, and the food supply slightly larger than the 1951 supply. Diets are improving but there is much improvement still needed at all income levels. Food production and food conservation are important problems in diet improvement and money management.

Clothing and textile supplies will be adequate next year. More blends and new fibers will be on the market in 1952. Furnitures (except metal) will be in good supply and prices will continue high.



TOBACCO

SITUATION

Tobacco provides a part or all the farm receipts for 150,764 North Carolina farmers. These receipts represent about half of the state's gross farm income. In addition, marketing, storing, processing, manufacture and distribution provide employment for over 40,000 other people.

In 1951, the production of 939,135,000 pounds of flue-cured tobacco from 731,000 acres was the largest crop ever produced in the State. It is 66.5 per cent of the 1951 flue-cured tobacco production in the United States.

World production of all tobacco is up about 7 per cent when compared with the 1935-39 average. However, production of the flue-cured type is up about 62 per cent. Use of flue-cured tobacco is likewise up considerably from the 1935-39 base.

The 1951 United States record production of 1,412 million pounds of all types of tobacco is 12 per cent above 1950. However, the supply is not considered excessive, particularly in light of expected demand.

Domestic markets used 751 million pounds of flue-cured tobacco during the 1950-51 marketing year. The export trade used 433 million pounds during this same year. Since July, 1951 exports have been 12 per cent above the same months a year earlier. For the year, exports are expected to be 5 per cent greater. Domestic use of tobacco is 5 per cent above the 1950 period.

Prices paid for the 1951 crop of flue-cured tobacco have averaged about 52.0 cents compared with 55.05 cents in 1950. However, grade for grade, the 1951 crop has averaged about a nickel higher than the 1950 crop. This year's crop is lower in quality.

COTTON

SITUATION

The 1951 crop of 15.2 million bales is the fifth highest on record, being exceeded only in 1914, 1925, 1931, and 1937. The 269-pound yield per harvested acre is the sixth highest on record.

The world supply of cotton is about 44.8 million bales. The carry-over from the 1950 crop was 11.0 million bales, the lowest carry-over since 1929. The world carry-over next August is expected to be 13.3 million bales, a relatively low supply.

Demand for the 158 million bale U. S. production of 1951 plus the 2.2 carry-over is expected to be stronger than that of 1950. Domestic and export use of U. S. cotton for the 1951-52 season will exceed 16 million bales and will be the largest disappearance since 1926.

OUTLOOK

The 1952 cotton production goal is expected to be near 16,000,000 bales, the same as for 1951. With any

The 1951 production of burley tobacco is 566 million pounds—almost 14 per cent larger than the 1950 crop. This crop, plus the carry-over of 964 million pounds, makes a near record supply of 1.530 million pounds. About 530 million pounds of burley were used in 1950-51. The average price was 48.9 cents per pound. The 1951 price support level is 49.8 cents.

OUTLOOK

The 1951 burley crop is expected to sell for slightly more than the 1950 average price of 48.9 cents per pound. The price support for this type of tobacco in 1952 seems likely to be almost the same as for the 1951 crop, 49.8 cents per pound. Growers should expect little if any change in acreage allotments for 1952.

Factors exerting a strong influence on the 1952 flue-cured crop include the export demand and yield per acre. The acreage allotments and price supports for the 1952 crop are expected to be about the same as for the 1951 crop. Price for the 1952 crop, given present yields per acre, should be about the same for comparable grades as in 1951.

RECOMMENDATION

Growers should plant their full allotment. Rotate crops on tobacco soil to help control diseases and maintain good yield and quality. If black shank or granville wilt is present, use a resistant variety. Use a fertilizer that will meet the nutrient requirements of the plant. Space reasonably close to insure a maximum yield or good cigarette tobacco. Follow a sound plant bed management program to be sure of having a plentiful supply of strong healthy plants, 100 yards of bed for each acre of tobacco to be planted. Top and sucker the tobacco for maximum yields.

production of less than 17 million bales, price offered for the 1952 crop is expected to be moderately higher than October 1951, prices.

RECOMMENDATIONS

Plan early for the 1952 crop. Plant all the cotton that will fit into a balanced farming operation and handle properly, no more. Locate an ample supply of good seed not more than three years from the breeder. Buy the seed adopted to your area, and from a reliable firm.

Make arrangements early for fertilizer and insecticides. Use these materials according to Experiment Station recommendations. Keep alert and watch carefully any developments, especially in weed control and mechanical harvesting.

Produce a high quality crop in 1952. Have it classed by unbiased and expert Government classifiers. Sell it on the basis of its quality, and place it on the market in an orderly manner.

PEANUTS

SITUATION

The estimated acreage of peanuts, picked and threshed in the fall of 1951 exceeded 2 million acres. It is about 19 per cent greater than the national acreage allotment of 1,889,000 acres. Excess peanut sales are being made at about 50 per cent of the "quota" support price for peanuts. Production is expected to equal about 1.7 billion pounds, somewhat less than in 1950. Carry-over from the 1950 crop year is the highest since 1946.

OUTLOOK

The demand for peanuts for eating purposes is expected to remain relatively stable and require about one-third of the production. The demand for export and crushing for oil and peanut meal is expected to decline. The 1952 price is not expected to go above support levels.

RECOMMENDATIONS

Peanut yields have not increased as have yields for most other North Carolina crops. Farmers are growing peanuts in too short a rotation resulting in decreased yields from decreased soil fertility and more diseases. Adjustments should be made to put peanuts in a 3-year rotation with other crops, including soil improving crops in the rotation.

SOYBEANS

SITUATION

Prospective production of edible vegetable fats and oils, including soybean oil, cottonseed oil, and peanut oil is about 10 per cent above 1950. Cottonseed oil supplies are up 70 per cent.

The domestic and export demand has been good for the 1950 crop and carry-over. The demand for the 1951 crop is expected to require about the same quantity. Supplies available to satisfy this demand include a 1951 crop estimated at 271,203,000 bushels and a carry-over of 4,031,000 bushels, slightly less than that of a year ago.

OUTLOOK

Price for the remainder of the 1951-52 marketing year is expected to be at present levels. Should demand for soybean products strengthen, substitution of cottonseed or peanut products would occur before price made appreciable advances. The acreage of soybeans planted in 1952 is expected to be less than the 1951 acreage. The advance in corn prices should cause a shift to corn acreage.

RECOMMENDATIONS

Soybean yield must be higher than the State average if economic returns are to be expected, except where they follow a truck crop or small grains. To produce higher yields of soybeans, take care of lime and potash requirements.



FOREST PRODUCTS

SITUATION

Lumber production in 1951 continued at the heavy rate established in 1950. Production was estimated as near 40 million board feet. Consumption of lumber was down slightly because of the reduction in construction of dwellings. The use of dimension lumber in industrial construction was up when compared with 1950. Pulpwood consumption continued at the heavy rate of over 2 million cords per month. However, production increased to the point that adequate supplies of pulpwood products were available throughout most of the year.

OUTLOOK

Demand for forest products is expected to continue at a high level. Credit controls and building restrictions have eased the demand for dwelling construction and the use of dimension lumber for this purpose. Part of this reduced demand has been replaced by the demand for lumber and veneer in industrial construction to replace metal items. Prices are expected to remain near present levels.

RECOMMENDATION

In selling raw timber, veneer, and hardwood dimension, mark and measure each tree to be sold. Sell on written contract. Do not sacrifice growing timber.

Take advantage of high pulpwood demand by thinning oil field stands and getting rid of cull trees. Pine pulpwood stumpage averages \$3.00 per cord. Price delivered to buying yard averages \$12.00. Difference is labor cost. Earn it by doing your own cutting and hauling. Order tree seedlings early for planting idle or cutover land. Take advantage of free seedlings offers of paper companies and others.

Watch for price fluctuations. Check with local buyers before starting operations.

GRAINS — PROTEINS — PASTURES

SITUATION

The total supply of all feed concentrates for 1951-52, including the grains and by-products feeds, is estimated at 176 million tons—4 per cent below the supplies of the last 2 years. Total disappearance of feed grains will exceed the 1951 production by 8 to 10 million tons, reducing the carryover next year to around 20 million tons. In this event reserves would be below the usual relationship between livestock numbers and production. Supplies of by-product feeds are about equal to the record 21.5 million tons of last year. Oilseed cake and meal supplies will be a little larger than the record supply of the past feeding season. The total supply of protein feed is larger than in recent years, but no greater in relation to the increasing number of livestock on farms.

The 1951-52 corn supply is estimated at 3,855 million bushels, 137 million bushels smaller than the 1950-51 production. Total domestic use and export is estimated at 3.3 billion bushels. This is greater than the 1951 production of 3 billion bushels and would require further withdrawals from reserve stocks of corn. Soft corn was produced in Western Iowa, Nebraska, Minnesota, and the Dakotas. Indiana and Ohio have about a 20 per cent increase in corn production.

In the current marketing year less wheat is being produced than is likely to be used in this country and exported. Consequently, the carryover on July 1, 1952, will be about 75 million bushels below the mid-1951 figure of 395 million. An expected crop of 1,165 million bushels and a carry-over of old wheat on July 1, 1952 estimated at 320 million bushels, would provide 1,485 million bushels for the 1952-53 marketing year. Use of wheat in the U. S. is forecast at about 755 million bushels, with exports expected to use 325 million bushels. A build up in carry-over from the 1952 crop to about 415 million bushels is expected.

Livestock production, increasing since 1946, is expected to be up another 2 or 3 per cent in the 1951-52 feeding season. Feed concentrate supplies are less than 1.0 ton per animal unit but not near the disastrous level of .85 tons per animal unit observed in 1943 when livestock numbers were at an all-time peak.

Large grain supplies in Canada could aid in meeting a feed shortage in this country. Supplies of feed wheat, oats, and barley in this country are well above average and are relatively close to the northeastern states for use in dairy and poultry rations.

Feed grain supplies on October 1 in North Carolina were up considerably from a year earlier. Corn supplies were up 6 per cent, wheat supplies were up



more than double the 1950 level and oat supplies were up 31 per cent. However, 1951 corn production is not included in these data. It is down by 13 per cent from the 1950 record year.

OUTLOOK

Corn prices in North Carolina are now 11 per cent above the October price of 1950. For the first half of 1952 prices of corn, other grains and feed mixtures except high protein concentrates will be materially higher. Prices for high protein concentrates such as cottonseed-oil meal and soybean-oil meal are expected to remain about the same as in November, 1951.

The feed situation by the end of 1952 will depend upon the prospects for the 1952 feed grain crop. A short corn crop or a shortage of oats, barley and milo would cause grain prices to increase drastically. On the other hand, a 10 to 15 per cent increase in production over 1951 would result in no appreciable change in price.

RECOMMENDATIONS

With increased costs predicted for 1952, efficient production of grain, soybeans, peanuts and pastures is essential for these crops to be profitable. Achieve efficient production by using the best available varieties with high germination. Apply adequate amount of adapted fertilizer and top dressings. Timely operations, planting date, cultivation and weed control are required. Harvest the crop before loss by weather.

Feeders should grow as much of their feed requirements as possible. Feed produced should be held on the farm up to the feed requirements rather than sold at harvest and re-purchased later. Feed stored on the farm should be adequately protected from insects, rats, weather damage and heating.

POTATOES

SITUATION

The 1951 potato crop was the first in 9 years to be sold without price supports. The prospective total crop of 335.7 million bushels is in line with the expected total demand of 335 million bushels. Production in 1950 was 439.5 million bushels. Price received for the 1951 N. C. potato crop of 7,293,000 bushels was, in general, considered satisfactory. There will be no price support on the 1952 crop.

OUTLOOK

If potato producers hold production to near 350 million bushels a satisfactory price may be expected. If production is in excess of 400 million bushels a very satisfactory price can be expected.

RECOMMENDATIONS

Production in line with 1951 should prove profitable in 1952. Production costs should be kept as low as possible. Follow recommended production practices. Use good quality seed. Consumers are demanding washed potatoes and competitive areas are washing them. Handle potatoes carefully.

SWEET POTATOES

SITUATION

The 1951 crop of 34.6 million bushels was the smallest since 1884. Reduction from 1950 in both acres set and yield were responsible. As a result of the small crop and usual demand, price is up \$1.00 to \$2.50 per bushel. The North Carolina crop of 40,000 acres was the lowest since 1871. Production of 95 bushels per acre compare with 115 bushels per acre in 1950 and a 10 year average of 107 bushels. At these yields and present prices the sweet potato is a very profitable crop.

OUTLOOK

Present and higher prices will prevail until the 1952 acreage is harvested. The high prices for sweet potatoes this season may lead to some acreage increases next year, but prices for alternative crops are expected to remain favorable enough to prevent any large extension of sweet potato acreage. With the expected strong demand, price should be near 1951 levels.

RECOMMENDATIONS

Emphasis should be placed on the production of high quality sweet potatoes, and increased yield per acre by use of disease free seed, crop fertilization, proper spacing in the row, and proper methods of harvesting, grading and packing. Handle sweet potatoes carefully.

Growers should consider storing at least part of their crop for sale during the winter and spring months. The seasonal price rise will usually more than pay for storing especially if storage is already available.

VEGETABLES

SITUATION

There are 18 vegetable crops produced commercially in North Carolina other than sweet and Irish potatoes. Most of the production is consumed fresh. Some vegetables are frozen. Supplies of these vegetables for fresh, frozen and canned uses are generally adequate. Somewhat larger than usual supplies of frozen and canned spinach and snap beans are now available. On the other hand, supplies of canned sweet corn are low. Production of fresh vegetables for use in the winter of 1951-52 are substantially larger than in 1951 when adverse weather was a limiting factor.

OUTLOOK

Demand for fresh vegetables is expected to be slightly stronger than in 1951 with demand for processed vegetables almost as strong. The level of prices received by farmers will depend in part upon volume of production with the probability that increases in demand may be largely offset by increases in production. Thus, price for 1952 is expected to remain about the same.

RECOMMENDATIONS

Since production costs will be up, efficient production will be the key to profits. Proper use of fertilizer, sprays, labor, etc. will help increase returns. Use good quality seed and follow recommended production practices. Do a good job of grading and packing to market top-quality products.

FRUITS AND NUTS

SITUATION

Apples and peaches account for the bulk of the North Carolina fruit crop. Strawberries and other fruits are also produced. The pecan is the only commercially produced nut.

The 1952 national apple crop will be somewhat smaller than the 1951 crop in line with the downward trend experienced since 1934. The North Carolina apple crop should be as large or larger than 1951. Stocks of processed apples will be smaller. The export trade will take more of both the 1951 crop and the 1952 crop.

The 1951 national peach crop was near average. A larger national crop is expected in 1952, but the North Carolina peach crop will probably be smaller next year. The 1952 strawberry acreage is 7 per cent smaller. At an average yield of 72.3 crates per acre the 1952 crop would be 8 per cent lower. The 1951 pecan crop is 17 per cent greater than that of 1950. Production of all tree nuts has moved sharply upward in recent years.

OUTLOOK

Consumer demand for apples in 1952 is expected to be slightly stronger than in 1951. With stronger

demand and a smaller apple crop, grower prices should average moderately higher.

The stronger consumer demand for peaches should just about offset the expected larger production with no appreciable effect on price. Prices for the 1952 crop probably will be about the same as in 1951.

Grower prices for strawberries are expected to average materially higher. Prices of other North Carolina fruits should be some higher.

Prices for the 1951 and 1952 pecan crop should average moderately lower than 1950 prices.

FARM COSTS - LABOR - FERTILIZERS - MACHINERY INSECTICIDES - BUILDING MATERIALS - SEEDS

SITUATION

Non-farm employment increased by one million workers in 1951. Agricultural employment was down about 400,000 workers. Most of the labor mobility out of agriculture went into industrial employment. Farmers, in general, are shifting their demand from the employment of a full-time hired hand to day laborers and piece-workers for short peak labor seasons. Non-farm employment will require 3.5 million more workers than now employed. Agriculture stands to lose 200,000 more workers in 1952.

Fertilizer prices in 1951 were about six per cent higher than in 1950. Supplies of nitrogen and potash for the 1952 season will be five per cent higher but below the quantity that would be used if it were available. Phosphoric acid supplies will be down eight per cent because of the shortage of sulphur. *Fertilizers will be in short supply.*

Production of farm machinery was generally adequate in 1951. However, production in 1952 will be lower because of a 15 to 20 per cent lower supply of metals allocated for their construction. The reduction will be greater for the newer and larger types of equipment.

Building materials made from wood are in ample supply. Shortages are developing in metal materials including galvanized, aluminum and copper products. Black pipe, painted wire fencing and uncoated roofing are expected to supplement a diminished supply of these items. Builders hardware, electrical devices, plumbing and heating equipment, cement, clay products and composition materials are expected to continue in ample supply. Baling wire and twine supplies should be adequate. Supplies of the most important pesticides except sulphur and lead arsenate are expected to be sufficient to meet demands if minimum needs are purchased early.

The national index of seed supplies are 72 per cent above the ten year average. In North Carolina, the supplies of Ladino, corn, cotton, wheat, oats and cane seed are considered adequate. Seeds considered in short supply include fescue, orchard grass and perhaps alfalfa.

RECOMMENDATIONS

With continued strong consumer demand, production and marketing of high quality fruit will mean more net profits. Proper use should be made of recommended fertilizers and sprays. Careful handling, and proper grading and packing are essential to making profitable returns. Improved grading procedures for peaches is the first step toward improved quality. Brushing and sizing apples should show profitable returns. The lack of adequate local marketing facilities may mean price penalties in some in-

OUTLOOK

Farm wage rates will rise 5 per cent or more. The availability of hired farm labor is influenced by prevailing levels of wages plus good housing, steady employment, reasonable hours of work and other types of improved labor relations. Fertilizer prices are about 6 per cent above the 1950 level. A further rise of 5 per cent is expected.

Farm machinery prices advanced 10 per cent in 1950, and 1 per cent in 1951. Moderately higher prices are expected. The supply is expected to be adequate to fill 1952 crop producing requirements but inadequate to fill the growing demand. Building material prices are now 10 per cent above a year ago. They are expected to be slightly to moderately higher.

Price of pesticides rose sharply at the beginning of the 1951 season and have remained at about the same level throughout the season. They are expected to continue near present levels. Seed prices in general should remain about the level of late 1951. Prices for fescue, orchard grass and alfalfa are likely to be slightly to moderately higher.

RECOMMENDATIONS

Maintain full production or increased production by increasing the use of labor-saving methods and labor-saving equipment. Re-arrange the farming program to achieve these results.

Contact your fertilizer dealer early and arrange for the fertilizer requirement. Early arrangement will permit selecting the grade or grades most suited to your crops and soil. Late purchasers may not be able to obtain the grade desired.

Use proved equipment to replace labor where practical. Overhaul and repair machinery during winter months. Replace old and badly worn parts on tractors and larger items of equipment.

Start only those buildings that are needed to improve the farm. Repair buildings rather than replace when at all possible. Use more of the home-grown material for construction. Use well-braced corner and end posts for good fence construction. Treated posts should be used in the fence.

BEEF CATTLE

SITUATION

Cattle number on farms in the United States have increased this year by over 5 million to an expected record 90 million head for January 1, 1952. The big increase is in beef calves and heifers retained for enlarging and starting cow herds. There is no apparent change in the number of dairy cattle.

The tremendous increase in beef cattle numbers has meant a further decline in cattle slaughtered and higher prices for beef during 1951. Per capita consumption is about 59 pounds, the lowest since 1944. This compares with a per capita consumption of 200 pounds per person in Argentina and Uruguay.

As indicated in the accompanying chart, cattle numbers show a 15-year cycle between peaks. Note peaks in cattle numbers in 1890, 1904, 1918, 1934, and 1945. The 1934-45 period was disturbed some by the great drought and World War II.

Economic, physical, and biologic factors account for periodic changes in cattle numbers. The business cycle, droughts, severe winters, time required to breed and develop a beef cow, and human population growth all influence cattle numbers and cattle prices.

It has taken from 6 to 8 years for beef cattle numbers to move from a low point to the following peak. The present increase started in 1949. This would indicate a continued rise in cattle numbers until about 1955. A new peak of near 100 million is expected.

For most cycles, sharp price rises have preceded the upswing in numbers by 2 to 3 years. In each of the last three cycles a reduction in number of cattle was caused by drought, full use of pasture resources in the great plain states or expected price declines

that didn't materialize. Serious declining cattle prices are rarely associated with high cattle numbers. Declining beef prices usually follow the level of employment and wages paid.

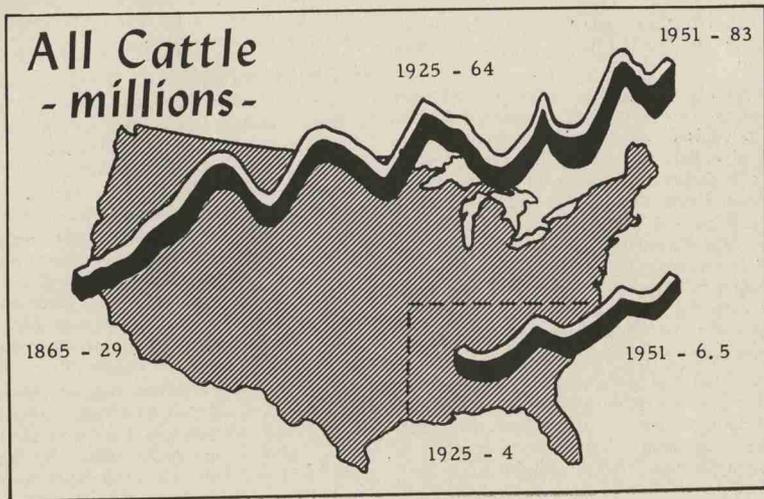
Since 1949 the trend or percentage gain in beef cattle has been greatest in the South Central and South Atlantic states including North Carolina. Other areas where large gains have been made include Illinois, Iowa, Missouri, Nebraska, Kansas and Oklahoma. In previous cycle declines, mid-western and great plains states have lost more of their gains while the South Atlantic states have held on to most of their increase. The major reduction expected to start by 1955 will likely not occur in the South Atlantic states.

OUTLOOK

Beef cattle prices have likely reached their peak. Not much change is expected until the fall of 1952 when prices should be moderately below present levels.

RECOMMENDATIONS

Continue cow and calf program where pasture and roughage constitute most of the feed supply and where at least fifteen to twenty beef cows can eventually be carried. Farmers with a supply of grain should consider purchasing steers to grow on grass and roughage and finish on grain. Improve the quality of the cattle sold by using good registered breeding bulls and culling cow herds systematically. Reduce production costs by providing sufficient improved permanent pastures and roughage. Grain cannot be fed profitably to the commercial cow herd.



SHEEP

SITUATION

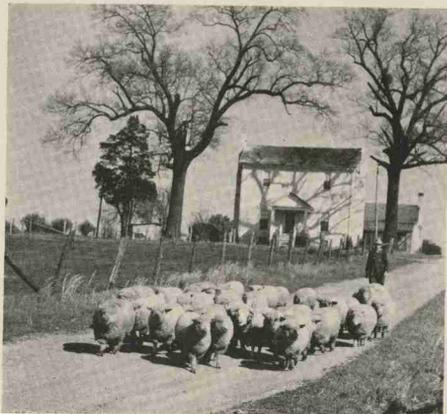
Sheep numbers increased slightly in 1951. However, sheep numbers are at drastically low levels. Demand for lamb and wool is at or above that of 1951. Imports of wool to the United States are three times higher than the 1935-39 average. Imports to the Soviet Union are up more than this amount. Imports to Western Europe are slightly higher. The supply of wool available for export in Australia, New Zealand, Argentina, Uruguay and the Union of South Africa is up only 30 per cent.

OUTLOOK

Lamb prices in 1952 will be at price ceilings. Wool prices have declined from their all-time peak in March, 1951. In 1952, wool will be below the 1951 average.

RECOMMENDATIONS

Sheep take more management ability than beef cattle. Successful shepherds control parasites by moving the sheep to a new pasture about every three weeks and by proper pharmaceutical measures. Sheep owners should plan to give their flock special attention at lambing time. Increase the present flock

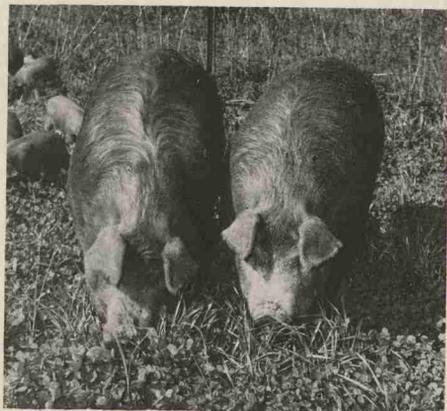


numbers and establish new flocks with good grade native or western ewes. Good registered mutton-type rams should be mated with these ewes to produce the best market rams. Protect from dogs.

SWINE

SITUATION

Production of pork has increased for five consecutive years. The 1951 pig crop of 106 million head is second only to the 1943 production of 122 million head. Feed grain supplies have decreased each year since 1948. Hogs and other livestock in 1951 used more feed grain than was produced. The price of feed grain has increased more than the price of hogs. In past years when 12 bushels of corn was required to purchase 100 pounds of hog, pork production leveled off. When the ratio dropped below 12 to



1, pork production declined. The ratio was between 12 and 12.2 to 1 in 1951.

The high demand for pork experienced in 1951 can be associated with high consumer incomes and substitution of pork for beef. Consumer incomes will be higher in 1952 but more beef will also be available.

OUTLOOK

Pork production will be about the same in 1952 as in 1951. Prices for hogs in 1952 will follow the usual seasonal patterns and be about the same as in 1951. Increases in beef cattle production in the corn belt is nearing the stage where it seriously competes with hogs for the use of land, labor and feed. Should this pressure materially increase in 1942, hog production will decline.

RECOMMENDATIONS

The outlook for higher feed cost emphasizes the importance of controlling parasites and using more pastures in hog production. Cull all sows that do not produce six or more pigs. Select breeding animals with plenty of length and growth to make a leaner-type hog. Select breeding animals from large litters of fast-growing pigs.

Farmers who do a good job of feeding and managing hogs will make a profit. Corn grown on the farm can be marketed through hogs for a higher return than selling as cash grain. Farmers with less than five sows should increase sow numbers to this minimum size herd.

DAIRY PRODUCTS

SITUATION

The supply of dairy products for the nation has been relatively constant for the past four years at about 120 million pounds. This constant supply has been achieved by reducing cow numbers by about 12 per cent. Most of the reduction of cow numbers has occurred in the Midwest where 65 per cent of the dairy products are produced. States along the east and west coast have increased cow numbers. Production per cow has increased sufficiently to offset the reduction.

The population increase and the increase in consumer income, have increased the demand for dairy products. However, consumers have been more selective. Butter consumption continued its decline. Milk consumption remained about the same. More cheese, ice cream and other dairy products were used. This trend is likely to continue through 1952.

In North Carolina, 13,960,074 pounds of milk were brought in from other states for use as bottlemilk from January through September 1951. A much greater shortage of milk for manufacturing purposes exists.

OUTLOOK

Prices for dairy products will be moderately to materially higher. There will be a further shift from butter to fluid milk, ice cream and cheese. Dairy cow numbers in the coastal states including North Carolina will continue to increase.

With the usual seasonal drought in milk production and a continued high level of milk consumption, fluid milk supplies in North Carolina will be short during the fall of 1951 and winter months of 1952. The shortage in the fall of 1952 could be fully as great as that existing in 1951.

RECOMMENDATIONS

Increase milk production by the use of higher quality roughage and pasture. Good pastures can provide additional nutrients at about half the cost of that produced from other feeds. A study of North Carolina DHIA records shows a definite relation between milk production and feed cost. As production increased from 3,700 to 8,800 pounds, feed cost dropped from \$3.81 to \$2.23 per 100 pounds of milk. Costs can be reduced further by culling out low-producing cows while beef prices are high and feed scarce due to the local drought.

Dairymen are encouraged to breed as many heifers and cows as practical during November, December and January to reduce the spring surplus of milk. Bulls proven for high production are available for artificial breeding and should be used.

A quality-milk product commands a higher price and results in increased consumption. Keep the quality high by following the practices of good sanitation. Maintain herd health through efficient herd management. Purchase only disease-free cattle.

POULTRY AND POULTRY PRODUCTS

SITUATION

The consumption of 406 eggs per person in 1951 is the highest on record and 22 eggs per person above 1950. Likewise, the consumption of 30 pounds of poultry meats per person, 15 pounds of broilers, 5 pounds of turkeys, and 10 pounds of chicken is exceeded only by the 1943 rate of 30.5 pounds per person.

In 1951 egg income was up 31 per cent. Broiler production is over 700,000,000 an all time high. North Carolina hatcheries produced 62 million chicks. Thirty-four million broilers were marketed here at prices ranging from 22 to 33 cents per pound. Turkey production is up 16 per cent to 52.8 million birds. Of these, 8.3 million were Beltsville small white turkeys—an increase of 55 per cent over 1950. Turkeys are fast becoming a year-round enterprise.

OUTLOOK

Poultry feeds will likely cost 10 to 15 per cent more in 1952 than in 1951. Labor costs will be higher. The number of hens on hand January 1, 1952, will be about 3 per cent more than a year ago. Broiler production will exceed 700 million in 1952.

Turkey production will increase another 5 to 10 per cent with a continued shift to the smaller bird.

Egg prices for the first half of 1952 will be slightly to moderately lower than in 1951. For the last half of 1952 egg prices should equal or exceed those of 1951.

Broiler prices will average slightly to moderately lower for the first part of the year and perhaps the same as in 1951 for the last half of 1952.

Turkey prices will average slightly lower in 1952.

RECOMMENDATIONS

With higher production costs and slightly lower prices, efficient production is necessary for 1952. Those who made money in 1950 can expect a good year. Those who lost money in 1950 should revamp their program or change production methods. New producers should have reliable market outlets before plunging into commercial poultry production.

In North Carolina, there is an opportunity for an increase in production of commercial market eggs, a slight increase in the production of broilers and a 20 per cent increase in turkey production. Production of hatching eggs should be expanded in the mountain section.

FARM FAMILY LIVING - OUTLOOK FOR 1952

SITUATION

The cost of living is now the highest in history and prices of consumer goods and services are expected to continue going up. These increased costs of family living items and increased costs of farm production mean that many families probably will have less money for family living next year, even though incomes may be somewhat higher than 1951.

In general, there is a feeling of insecurity. In these uncertain times, people, particularly young people of high school and college age, are wondering how to plan or what to do. In many areas of North Carolina farm women are working away from home in order to add to the family income. Children are left in the care of relatives or someone else. More and more young men are going into military service. Wives of many of these service men are taking their children and going back to live with their parents until their husbands come home again.

All of this means that many children will be uprooted and will have constant adjustments to make under different people and, in many instances, in new surroundings. This will be true not only in their home situations but also in their school, Church and community experiences. Constant family adjustments cause increasing worry and tension and put family life to a real test.

RECOMMENDATIONS

Strong, wholesome family life depends on good management by thinking, planning and working together.

Each member of the family needs to feel that he or she has an important part in helping to work out



family problems in the emergency. This may help more than anything else to relieve strain and tension, to bring about a better understanding of problems, and to strengthen family life.

Family teamwork means more than *working* together; it also means *playing* together and *worshipping* together. It takes all three of these to create or bring about a well-balanced family life, not only now in the emergency but for all time. Now, with many extra jobs of work to be done, recreation, rest and relaxation are very important for good mental and physical health. Family worship has been, and always will be, a vital part of family living. Spiritual growth and development are basic—not only in home and family life, but in all units of human society.

CLOTHING AND TEXTILES

SITUATION

There is an adequate supply of clothing and textiles with prices slightly higher for some and lower for others. Cotton, rayon, and wool supplies seem plentiful. The output of nylon, Orlon, Dacron and Dynel are increasing. On the market now are more mixed fibers or blends for clothing and textiles.

OUTLOOK

During 1952 many families will have more money to spend for non-durable goods—foods and clothing—as incomes increase and durable goods supplies get smaller. More blends and more new fibers will be available. Prices for clothing and textiles are expected to be about the same next year.

RECOMMENDATIONS

Give more time to planning clothing needs, and discourage impulse buying.

In buying ready-made garments, check the cut, construction and fabrics. Workmanship and cut have been sacrificed in some lines of low-priced garments.

When purchasing material, know what fibers are used and how to care for the fabrics.

Mend, darn, clean, press and repair clothes and shoes. It will save money.

Improve skills in sewing and do as much home sewing as is practical.

FOODS

SITUATION

Food supplies are plentiful now and prices are somewhat higher than last year.

Post war studies that increased incomes, higher prices and the new processed (packaged) foods have caused families to change some of their food buying habits. They are eating more fruits, vegetables, poultry and poultry products, meats and dairy products. This has resulted in diets that have been improving steadily.

OUTLOOK

Food supplies per person for civilians in the U. S. will average slightly higher. People will eat more beef, poultry, poultry products, fluid milk, ice cream,

fats and oils (except butter), fresh vegetables, frozen fruits and fruit juices, and dried fruits than they did in 1951, but less butter and sweet potatoes.

Retail food prices are expected to be slightly higher. Higher incomes with less durable goods, such as refrigerators, washing machines, bathroom fixtures, etc., will leave more money to spend for food. The demand for food is expected to continue strong and tend to keep food prices up. No great rise in food prices is expected.

RECOMMENDATIONS

1. Know the foods one should eat for best of health.
2. Make a plan to obtain an adequate year-round supply of these foods.

HOUSEHOLD EQUIPMENT AND APPLIANCES

SITUATION

Buying of equipment and appliances has been slow for the past 6 months except in the case of home freezers which have continued to sell at a high rate during 1951. The available supply now is more than adequate to meet current demands. It provides enough in reserve to take care of cuts in production in the immediate months ahead. Prices of equipment and appliances have continued to increase.

OUTLOOK

Any substantial pick-up in demand for equipment and appliances would quickly take up present supplies. If this does happen, there will be shortages of some things. There also will be substitution of less critical materials, as in World War II when so many "Victory" models appeared on the market. This will pose a problem of quality and grades which may be below good standard quality.

RECOMMENDATIONS

Buy equipment and appliances now *only* if you need *them*. Consider carefully the type, quality, and size best suited to your situation and family needs. Look at "standard" models as well as the "deluxe" models and compare them. Then it is a matter of deciding for yourself whether the extra gadgets will be worth the extra cost.

Before buying also be sure the equipment was made by a reputable manufacturer and sold by a reliable dealer. This is important because on it will depend your ability to get good servicing and new parts needed in the future.

In determining what you need, consider carefully labor-saving appliances or pieces of equipment. This is becoming increasingly important as more men go into military service and homemakers have to take on added farm and home jobs in addition to present full-time housekeeping duties.

HOUSE FURNISHINGS

SITUATION

Furniture supplies now are adequate with prices slightly higher than a year ago.

Television is becoming increasingly important in rural areas. During the summer of 1951, buying of television sets declined but picked up again in the early fall. This reduced the supply on hand but there should still be enough to meet demands.

Use of rayon in rug and carpet manufacture is increasing very rapidly. This is helping to ease the wool situation to some extent, but rug prices continue to go up.

Sheets, pillow cases and blankets are plentiful now with some lower prices reported during the past summer.

OUTLOOK

There will be shortages of furniture made of metal. Basic furniture materials, such as wood and fabrics should continue in good supply. Prices will continue to be high.

Household textiles such as sheets, pillow cases, blankets, curtains, and draperies are expected to be in plentiful supply in 1952.

RECOMMENDATIONS

With the high cost of furniture it is advisable to renovate furniture on hand rather than to replace it with new furniture of inferior quality.

When furniture or furnishings are needed, know good quality and make a definite plan for buying them.

HOUSING

SITUATION

Defense needs are taking copper, steel, brass, aluminum, and other housing materials off the market. Prices for building materials have continued to increase along with increased labor costs. Building and credit restrictions continue but regulations have been amended recently to ease restrictions somewhat. For the country as a whole, there are now ample supplies of lumber and lumber products, masonry and clay products, and composition products such as wallboard, insulation board, and non-metallic roofing. Paint drying oils are in short supply.

OUTLOOK

The supply of many building products such as builders hardware, electrical devices, plumbing and heating equipment and general hardware will depend on the supply of the basic metals. Qualities may be of lower grades due to substitution of less critical materials.

Plywood will become more scarce as more of it is used as a substitute for sheet metal.

Area shortages of cement may occur due to transportation problems or unusual demands.

In general, during the next 6 months, there should be an ample supply of building materials and supplies, if purchases are held to essential needs, substitution for critical materials are made wherever practicable, and requirements are carefully planned well in advance.

Building costs will continue to go higher as long as the demand for materials and labor continues greater than the supply, although price ceilings and other controls may help to prevent extremely high costs.

RECOMMENDATIONS

Consider money spent for housing as a long-time investment. Families should plan carefully—weigh the advisability of building or remodeling. Plan the house to meet immediate needs of the individual family. Make provision for adding additional rooms or conveniences in the future when and if needed.

ACKNOWLEDGMENTS

The situation and outlook statements in this report were prepared by Mamie Whisnant, Home Management Specialist for the family living items and by Dorris D. Brown, Farm Management Specialist

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Basic data used was taken from various publications of the Bureau of Agricultural Economics of the United States Department of Agriculture and from the Farm Report of the North Carolina Department of Agriculture.

Teddy Tarheel Says:

If I were a North Carolina Farm Family in 1952, I would:

1. Study the situation, determine our family needs and plan our farm business to get the greatest profit and pleasure.
2. Buy only the foods, clothing, furnishings, household equipment and supplies actually needed now for good health and gracious living.
3. Produce an adequate year-round supply of food needed for better health—milk, butter, meat, poultry, eggs, vegetables and fruit.
4. Locate the needed supplies of labor, feed, farm equipment, fertilizer and insecticides now.
5. Grow tobacco and peanuts to the limit of our acreage allotments and grow all of the feed grains possible.
6. Grow cotton to the limit of our labor supply on those fields where by applying good practices, we could expect 275 pounds or more per acre.
7. Increase production of beef, pork and sheep by adding more acres of improved pastures.
8. Improve the quality of our production of milk, potatoes, vegetables, fruits and eggs.
9. Maintain a calm, happy attitude and develop better understanding by planning, working, playing and worshipping together as a family—family teamwork.
10. Save a part of every dollar earned and re-invest it in the farm and home business and in life insurance, Government bonds or other securities.