

# Economist predicts demand for corn, soybeans

DEKALB, Ill. — "Despite four wonderful crops in the last four years, the world has built no surplus of grain," said John Schnittker, former USDA chief economist and past under-secretary of agriculture, as he spoke during the recent annual meeting of shareholders of DeKalb AgResearch, Inc.

Schnittker said, "A situation like we had in the mid 1970s — high grain prices and shrinking reserves — can easily follow the four best crops the world has ever had, if weather conditions turn a little sour in two of the large grain producing regions."

"The good crops have generated a rapid increase in consumption and even though production this year was as high as we could expect, we anticipate about 30 million tons of grain to be taken out of the world stocks."

Schnittker explained how five countries or regions — the U.S., China, all of Europe, the U.S.S.R. and India — with less than half the world's population, produce three-fourths of the world's grain each year.

Schnittker said, "Because grain production is dominated by these five regions, it is possible to accurately measure and forecast world grain production."

Any major change in the world food situation — surplus or shortage — has been a result of a large crop

failure or of a very high yield in one or two of the regions.

In 1972-73 it wasn't only Russia, but also China that harvested poor crops, driving commodity prices skyward, Schnittker said.

"Grains and oilseeds together represent two-thirds of all human food. This is true partly because people like the Chinese and the Asians consume mostly rice, almost entirely vegetable foods and very little meat.

Countries, grains and oilseeds are terribly important. They supply a large part of the diet of cattle, hogs and poultry," he said.

Schnittker said the U.S. will export about 90 million metric tons of grain in 1979-80, giving the country a 53-55 percent share of the world's export of grain.

The second closest grain exporting nation is Canada, with only 11 percent of the total world grain exports.

Australia and Argentina are the next largest grain exporters. Each has a seven percent share of total world grain exports.

Schnittker explained the U.S. has absorbed any increases in the world's demand for grain and oilseeds for the last two years.

He said the United States has had a reasonably effective rail and barge system and because there was excess capacity at the ports, we have been able to meet the demand.

"Even though we have gained immensely by having a good rail, barge and port system we are getting to the end of the line," Schnittker said. "Somewhere down the road, whether it's one year or three years, we have to do quite a lot to improve our transport and loading system, if we are to continue to meet the demand for our agricultural products."

In addition to predicted difficulties in delivering the nation's excess grain to market, Schnittker warned

of shrinking world grain reserves.

"Despite good crops this year in practically all of the countries of the world, except Russia and India, world grain production has not exceeded a gradual increase trend established over the past 20 years.

"A tremendous momentum for the consumption of grain has begun," he said.

"Most of the countries in the world have increased their livestock production and set new targets in their

five-year plans for more meat, more milk and more eggs."

Due to increasing demand and shrinking reserves, Schnittker expressed optimism about corn prices in 1980. He was mildly pessimistic about soybean prices.

He explained that domestic and foreign demand has been sufficient to prevent a major collapse in prices after the record harvest. If current projections for soybean harvests in Argentina and

Brazil materialize, prices could be substantially lower in the first half of 1980, Schnittker surmised.

Turning to farm income, Schnittker said, "Farmers have been doing fairly well for the last couple of years, but not as well as they would like.

"In terms of real dollars, farmers across the country have an income this year of \$10 billion, 40 percent lower than in 1973, which was a record income year for farmers," he concluded.

## Vol. inspection — a possibility

NEW YORK, N.Y. — The National Advisory Committee on Meat and Poultry Inspection supported the U.S. Department of Agriculture's proposal to offer a voluntary quality control inspection program in plants where meat and poultry is further processed.

Committee members, representing the scientific community, state governments, industries, and consumer groups, said it was time to modernize processed products inspection by implementing a voluntary quality control program.

Under voluntary quality control, USDA approves a plant's quality control system and then bases compliance with federal safety and labeling requirements on the plant's own quality control data.

Donald Houston, administrator for USDA's Food Safety and Quality Service, said special technical assistance would be available for small processing operations to prevent larger processors from gaining a competitive edge.

Houston also said measures would be taken to safeguard confidential company data and that USDA would reconsider having the program's logo displayed on products in addition to other official USDA stamps. These specific concerns on quality control were raised by committee members.

At the meeting, Houston and meat and poultry inspection program officials also reviewed:

- the proposed new uses of proteolytic enzymes;
- the status of net weight regulations;
- USDA's study on mechanically deboned poultry;
- the funding and legislative status of federal-

state inspection programs; —USDA's actions to control PCB contaminations;

- the status of nitrites; and
- the comprehensive food labeling proposal.

## How to prevent rabbit damage

NORRISTOWN — In fall and winter, rabbits frequently chew the bark of young trees and shrubs, occasionally to the extent that the plant is girdled and dies.

Bark of seedlings and young saplings is a natural winter rabbit food. To prevent damage, Paul N. Reber, Montgomery County Agent, says it is necessary either to keep the rabbits away from the trees or make the bark distasteful to them.

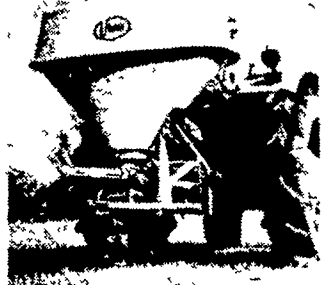
Mechanical guards such as hardware cloth cylinders, or wraps of heavy weatherproof paper or aluminum foil will often be the most satisfactory for the homeowners.

Some chemical repellents give satisfactory protection but they are not always available in small quantities at local outlets. Reber suggests using repellents containing thiram and a chemical sticker.

### Vicon fertilizer spreader

The most accurate fertilizer spreader you can buy

The Vicon Spreader uses an exclusive fast-action spout moving back and forth at 540 times per minute to give even, rectangular coverage instead of the usual circular pattern. That means increased profit because you get uniform fertilizer coverage, resulting in better stands and higher yields.

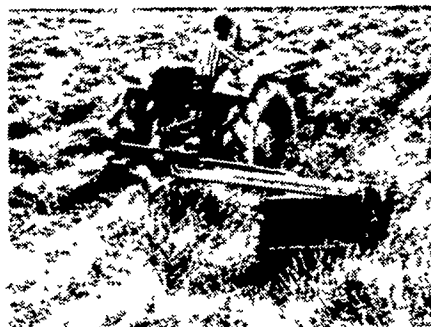


Give the Vicon fertilizer spreader a try. It costs no more than others. But it's better.

### Vicon doublet/mower conditioner

New concept in cutting and conditioning grass

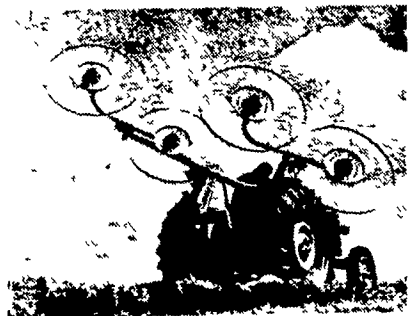
The New Vicon Doublet/Mower Conditioner offers a new concept in grass conservation. The Vicon Doublet/Mower cuts, conditions and produces a light airy swath, reducing valuable time required to produce good quality hay and wilted silage. Conditioning at the same time as cutting is accomplished by incorporating the same cutter bar as the Vicon Discus disc mower with a conditioning rotor mounted above. The sucking action picks up the cut grass and delivers it to the back of the machine in light, fluffy swaths.



### Vicon acrobat hay rake

Tedds as well as rakes... and costs about one-third less

The Acrobat is a high-capacity ground driven rake with no gears, belts or power shafts to break. Fits 3-point hitch tractors. And can be used for tedding as well as raking, turning swaths and fluffing without the need for tools to change from one operation to another.

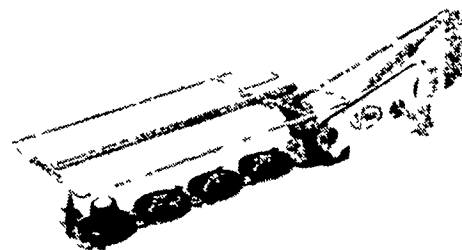


The Acrobat is a big worker for a little price. Put it to work on your farm.

### Vicon discus/disc mower

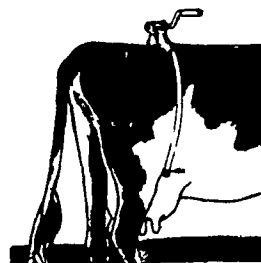
Fast speed and low power requirements

The new Vicon Discus disc mower offers outstanding characteristics of fast speed and low power requirements along with easy setting, safe working, no blockages. The Vicon Discus disc mower can tackle the heaviest standing grass as well as laid and tangled crops with a minimum of power. No tools are required to change from transport to working position. Transporting the Vicon Discus along narrow roads is made easy with the Discus in vertical position.

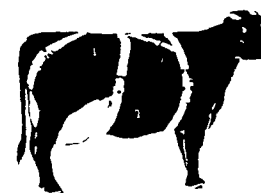


stop cow kicking with

**KOW KAN'T KICK**



**TAMM UDDER SUPPORT**



For Protection, Treatment and Warmth. Ideal for Hot Packs, Ice Packs.

Perfect for Suspended Comfort.

Dealer Inquiries Invited

**ZIMMERMAN'S ANIMAL HEALTH SUPPLY**

Wood Corner Road  
3 miles West of Ephrata  
RD4, Lititz, PA 17543  
717-733-4466

**NEW STORE HOURS:**

Mon. and Thurs.  
7 A.M. to 8 P.M.  
Tues. and Wed.  
7 A.M. to 5 P.M.  
Fri. 7 A.M. to 9 P.M.  
Sat. 7 A.M. to 12 Noon

**Vicon** the better idea from Holland

Vicon Farm Machinery, Inc.  
P.O. Box 6313  
3741 Cook Blvd.  
Chesapeake, Virginia 23323

**GIDEON L. FISHER**  
RD 1, Box 108  
Ronks, Pa. 17572