

# Wheat Production in War and Peace

## A Review

“Wheat Production in War and Peace” is the title of mimeographed circular F. M. 48 by Carl P. Heisig, Ernest R. Ahrendes, and Della E. Merrick of the Bureau of Agricultural Economics, U.S.D.A., published in May, 1945. The document is worthy of careful study by those interested in the future of wheat production in North Dakota. Pertinent quotations follow:

“Production of wheat in the United States may be briefly characterized: (1) Wheat is second to corn as the Nation’s most important cereal crop, (2) it normally occupies about one-sixth of the Nation’s cropland and is grown in nearly every State, (3) it is almost the sole source of cash-crop income in large subhumid areas and it is also grown in rotation with other crops under humid conditions, (4) mechanization of cultural and harvesting operations has proceeded further with wheat than with any other major crop, with wheat production highly mechanized in the large specialized areas, and (5) domestic needs for food uses are normally less than the quantity produced and at times of limited export-market outlet Government action has been necessary in order to dispose of the surpluses.”

Analysis of yields indicate that in the last twenty-five years there has been a definite upward trend in wheat yields in Kansas and in North Dakota, an average in each state of about three bushels to the acre, or expressed percentagely an average increase of from twenty-five to thirty percent. The authors call attention to recent developments in wheat breeding for the Northern Plains, mentioning specifically North Dakota’s Mida, Carleton, and Stewart (the two latter being durums) and Minnesota’s Newthatch and Thatcher. Superior hard winter wheats recently developed for the Southern Plains include Comanche, Pawnee, and Wichita. Stress is also laid on the greater timeliness in wheat culture due to mechanization, and to the greater use of summer fallow, strip cropping, and improved rotations.

### Size of Farm and Wheat Production

The authors note that wheat farms in the major wheat areas have all increased in size in the last thirty-five years, and that mechanization is the principal cause of such increase in size. Thus the average size of all farms in a group of selected counties in North Dakota (Divide, Burke, Bottineau, McHenry, Rolette, Sheridan, Wells, Pierce, Towner, Kidder, Benson, Renville, and Mountrail) was 371 acres in 1910, 437 acres in 1920, and 500 acres in 1940.

### Post-war Outlet for Wheat

The authors point to Thompson and Whelpton’s estimates of United States population by 1955 as ranging from a low of 146 million to a possible 150 million people with the lower figure more probable. Assuming a per capita consumption of

from 3.7 to 3.8 bushels they accordingly conclude that the demand for wheat for human food by 1955 may range from 540 million to 570 million bushels, with livestock consuming from 110 to 200 million bushels, and a possible export of from 60 to 80 million bushels, and seed requirements of 75 million; the probable minimum total use of wheat is placed at 785 million bushels and the probable maximum at 925 million bushels.

The authors conclude that a total use of even 785 million bushels could only be achieved by the use of an export subsidy—without such subsidy they hold that use would drop to 700 million bushels. They hold that the quantity of wheat produced does not respond readily to changes in demand largely because there is lack of alternative choices in the large wheat producing regions. They therefore hold that when the individual farmers "go out of wheat" in such areas, large losses to individuals may occur unless there is a program "to cushion the shock."

They present at some length, discussion on three major alternatives of price and production policy; namely, (1) Parity price with production control and marketing quotas, (2) the two price systems, i.e.,

parity or near-parity prices for wheat for domestic food uses and a free market price of wheat for wheat for feed and for export, and (3) a free market price with no controls.

In the concluding section of the document the authors quote figures that support the point of view that "lower costs per unit associated with a larger volume of production on family farms will bring higher incomes both for the area and for the farm family than will a restricted volume at higher costs and higher prices." They necessarily conclude therefore on the basis of their figures that the larger farms produce wheat at lower costs per bushel and per acre. That being so they necessarily conclude that "The number of farms obviously would be smaller, but net spendable income of farmers for the area would be greater." This reviewer finds nothing in this document to indicate that the authors foresee any increase in the number of wheat growing farmers, in fact quite the opposite. It is increasingly obvious that unless there is a reversal in established trends, wheat production is not going to be an outlet for an increased number of farmers.

(Reviewed by H. L. Walster)