

State's Agribusiness Needs Improvement

By Ferdie J. Deering

Oklahoma consistently ranks among the top states in production of cattle and wheat, the state's major sources of farm income.

Except for regional crops, such as peanuts, this state does not rank high in any other farm commodity. In 1982, the latest year for which detailed figures are available, Oklahoma's \$3.13 billion total cash farm income was 16th in the nation.

California led with \$14.3 billion. Iowa was second with \$10.3 billion. Other states ranking ahead of Oklahoma were Texas, Illinois, Nebraska, Minnesota, Kansas, Wisconsin, Indiana, Florida, North Carolina, Ohio, Missouri, Arkansas and Georgia.

Some of those states are larger than Oklahoma, but most are smaller and have less crop and pasture land.

It should be obvious that if agribusiness is to be a growth industry in Oklahoma's future, changes must be made. We must produce more and do it more efficiently. We must do more to process and market farm commodities to bring in more revenue. Some agricultural authorities believe this is possible; others aren't sure.

"Exciting and innovative changes are taking place in animal breeding through genetic engineering," said Ellis Freeny, executive vice president of the Oklahoma Cattlemen's Association.

"Selective mating and embryo transplants will have a dramatic impact on animal breeding in future years, providing conditions whereby 50 or more calves may be produced from one out-

Agribusiness Analysis NOV 25 1984

standing female."

Freeny is one who believes that agriculture will continue as a growth industry in Oklahoma. Another is Frank Moore, director of governmental relations for the Oklahoma Farm Bureau.

"We can double the beef production over much of the western part of the state with improved grasses and management practices," Moore said.

"This technology was developed at the Great Plains Experiment Station at Woodward in the 1940s, 1950s and 1960s. Our grain production is loping along at about one-half capacity because of farm programs.

"If we consider the use of new techniques for irrigation (drip, etc.), we can increase production through irrigation almost without limit."

"Oklahoma is a unique state in that because of our climate farmers can graze cattle on their wheat in winter without hurting their grain yields," said Ed Long of Garber, farmer and equipment dealer.

"One big economic problem is that many cattle die each year of wheat poisoning. Today, there is no efficient and feasible method to prevent these losses, estimated to amount to some \$2 million a year.

"Had these animals not died, their \$2 million value would have been compounded five times within towns and cities, resulting in cash flow of \$10 million in new money.

"These and many other problems resulting in

economic losses are solvable if we will invest adequately in agricultural research.

"There's an old story of a German farmer who said if you first build a barn it will build you a house. If we build the barn of agri-research, then that will build an economic base which will allow agriculture to prosper and, as always, the consumer will be the ultimate beneficiary."

"Cotton farmers in southwestern Oklahoma have seen the perennial silverleaf nightshade actually take over many productive fields," said J.D. Fleming, legislative director of the Oklahoma Farmers Union.

"Loss in cotton production from this cause is estimated at \$6 million annually. A research project funded in part by Cotton, Inc., a producer organization, is being planned by Oklahoma State University."

A letter from L.D. Melton, an Oklahoma City lawyer, points out one potential source of new income for Oklahoma farmers.

"Having just paid 69 cents a pound for Irish potatoes, I would like to know what Oklahoma is doing, if anything, to cash in on this commercial potato market?" Melton asked.

"I have noted in recent financial journals that Idaho has more millionaires than Texas. Now I can understand why. Potatoes are more potent than petroleum.

"Back in the 1920s, the Arkansas River valley below Muskogee was a large potato growing area. Why could it not

become so again? Flooding has been pretty well controlled."

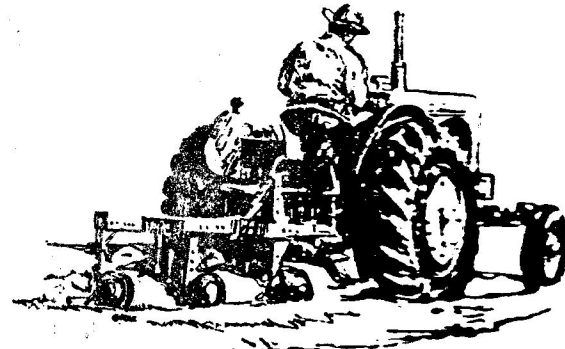
"A very logical and I think realistic way to improve profitability is through improvement in efficiency of production," said Charles B. Browning, dean and director of the Division of Agriculture at OSU.

"If we could improve efficiency of production by 10 percent in both cattle and wheat by re-

ducing input costs by 10 percent, we would improve net profit by approximately 10 percent, even with constant prices."

How might this be done? Further comments on future growth of Oklahoma's agribusiness will be presented next Sunday.

Facts About Farming



✓ American agriculture is the world's biggest commercial industry, employing 20 percent of the nation's labor force in farming, transporting, processing, manufacturing, wholesaling and retailing food and fiber.

✓ There are 2.4 million farms, 3.5 million farmers and farm workers. On the average, each produces enough food and fiber for 79 people.

✓ The farmer receives an average of 33 cents of each dollar consumers spend on food grown on U.S. farms, 5 cents less than he got 20 years ago.

✓ One farm worker creates jobs for six non-farm people, who produce things farmers need and who process, transport and merchandise the things farmers produce.

✓ The world needs more food. Hundreds of thousands of people are dying from starvation or diseases related to malnutrition, and the United Nations estimates that the present world population of 4.6 billion will reach 6 billion by the end of the century.

Source: U.S. Department of Agriculture