

Sugar Beet Production, 1951

California acreage likely to be lower than last year as farmers find it more profitable to shift to other crops

J. M. Tinley

California sugar beet production will probably be lower in 1951 than it was in 1950—a record year.

During the postwar years California has become the most important state in sugar beet production, accounting for about one fourth of all beets produced in the United States. In 1950 California produced 3,737,000 tons out of a national total of 13,549,000 tons.

Prospects of a lower production in 1951 are based on a reduction in acreage planted to sugar beets.

Acreage of sugar beets harvested in the United States fluctuated between 916,000 acres in 1940, 754,000 acres in 1941, 1,050,000 acres in 1942, and 617,000 acres in 1943. These fluctuations continued throughout the war and into the postwar period. Total acreage in 1950 was 924,000 acres, of which California produced 202,000 acres.

These fluctuations in acreage can not be accounted for only in terms of the returns per ton of beets received by growers. These total returns—including federal payments—rose steadily from \$7.00 a ton in 1940 to \$13.22 in 1944. During the postwar years returns received by growers averaged about \$13.40 a ton.

An explanation for the violent fluctuations in sugar beet acreage must be sought elsewhere. During the war years three factors were responsible for the decline in acreage: Sugar was one of the first commodities brought under price and rationing control; average per capita consumption dropped from 103.7 pounds per year in 1941 to 73.5 pounds in 1944. Adequate labor for harvesting was hard to find. The third, and probably most important, factor responsible for the decline in sugar beet acreage during the war was that acreages suitable for sugar beets brought higher returns when planted to other crops.

The competitive nature of crops for acreage is well illustrated by the 1950 experience in California.

Under government control the area in cotton was reduced by about 200,000 acres. Potato acreage was also reduced. Much of the area released from cotton and potatoes in the southern part of the San Joaquin Valley was planted to alfalfa and other crops. Early in 1950 the prospects were for a greatly increased alfalfa yield, with lower prices likely during

1950 and 1951. For this reason the prospects for alfalfa in the northern San Joaquin, Salinas and Sacramento valleys were not too favorable. Much of this acreage was planted to sugar beets. This and competitive relationships with other crops appear to have been largely responsible for the record acreage in sugar beets in 1950.

For 1951, however, there are some factors indicating that there will be increased competition from other crops for acreage suitable for growing sugar beets. While sugar prices, and returns to beet growers, might be higher in 1951 than in 1950, farmers can expect higher returns per acre from producing other crops.

Factors for Reduction

Conclusions of a lower sugar beet production in 1951 are based on the following factors:

There will be, throughout the year, a high level of industrial activity and relatively full employment.

Gross national income will be much higher than in 1950. In spite of heavy taxes, consumers will have more net income to spend on food and clothing, largely because manufactured goods will be curtailed for civilian consumption.

Unless there is a severe strain on rail and truck transportation, it will be possible to move more bulk perishable goods in quantity. Prices of lettuce, tomatoes and other vegetables are likely to rise.

Acreage restrictions on cotton have been removed, and the Administration has asked for increased production of cereals—wheat, barley and corn.

Prices of meat, dairy products and livestock have risen appreciably during the last year. Prospects are for relative shortage of meat and dairy products, and higher prices. Even if meat prices are controlled and meat is rationed, prospects for high livestock prices are good. As a result, prices of alfalfa and grains are likely to be higher in 1951 than in 1950.

In the absence of a full-scale war the world sugar crop is likely to be as high or higher than last year. Prospects are for as large or larger production of sugar cane in Cuba, Puerto Rico, the Philippines, and the United States, providing an adequate supply of sugar from which the United States can draw.

It is likely that wholesale and retail prices of sugar will be among the first to be controlled if general price controls are introduced.

Processor Problems

The question of how much the sugar beet production of California will be reduced is of importance to processors.

Farmers may make as much or more money growing other crops. Processors of specialized sugar beet facilities can not shift into other lines of production.

A drastic curtailment of sugar beet production will result in inadequate use of processing facilities, in higher unit costs of operation, and in reduced profits, or losses, to processors.

If losses or reduced profits force a reduction or deterioration of processing facilities, it will be to the disadvantage of the beet growers if and when they again expand acreage.

In the event of a full-scale international conflict there would be a possibility that production in the future may be curtailed through acreage limitation or differential price supports. This again would not have an immediate adverse effect upon incomes of farmers, but upon processors.

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