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favorable conditions. Cattle and calf slaughter would not be quite so large because herds, especially dairy herds, probably would be rebuilt faster than they would under better business conditions. Feed resources would favor some expansion in the production of sheep and lambs, but no marked shift from cattle to sheep would be probable unless prices of lambs and wool became very attractive, compared with prices of cattle.

Total annual meat production in 1952 under less favorable economic conditions would be approximately 22.5 billion pounds--about 148 pounds per capita.

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MEAT ANIMALS 1949

By Harold F. Breimyer

Demand for meat animals is derived from consumer demand for meat. We all know that meats, and the livestock from which they are produced, engage wide attention. Meats seem to have joined new automobiles as commodities earnestly sought after by the consuming public. Meat prices made headlines in Washington newspapers several times this year--in February when meats and meat animals joined several other commodities in the biggest price break in a long time, early in October when hog prices dropped, and on several other occasions when the high cost of living was the news. It is not surprising that meats and meat animals are topics of human appeal. Of every dollar the American farmer received from sale of his products in 1947, 30 cents came, on the average, from meat animals. And at the other end of the marketing system, meat takes close to one-fourth of all consumer expenditures for food. Total expenditures for meat exceed expenditures for new automobiles.)

The biggest story in the 1949 meat outlook is the abundant feed supply just described by Mr. Clough. Feed prices will be low relative to meat-animal prices. Livestock-feed price ratios for hogs and cattle will be nearly as high as ever before, and feeding margins in dollars will be the largest ever, if present live-animal price levels are approximately maintained. ||

Yet the large feed supplies can hardly result in much increase in meat output in 1949. The biological facts in raising meat animals to slaughter age will prevent that. Furthermore, meat output in 1949 will be compared with that of 1947 and 1948 when some of the beef and lamb produced from

slaughter came at the expense of inventories. Thus when we appraise 1949 prospects we find the double handicap of fewer cattle and sheep in the nation's herds, and of having to make comparisons with years when meat output was blown up by slaughter out of inventory.

That less beef, veal, lamb and mutton will be produced in 1949 than in 1948 seems almost certain. The reduction will be largest if producers should nearly or fully check the decline in cattle and sheep numbers next year. We believe they will move in that direction, particularly for cattle.

This expected reduction in other kinds of meat in 1949 will just about be offset by larger pork production, as we see it. By all past relationships to feed supplies and price ratios, a sharp rise is due in the number of sows to farrow next spring. Even after allowing for the chance that much more corn than usual will be held through the feeding year rather than fed to livestock, we believe that realization of the spring pig goal of 60 million pigs is quite possible. This would be a 17 percent gain over the 1948 spring pig crop. Of course, the big increase in hog slaughter and pork production from those spring pigs would come late in 1949.

We are estimating 1949 meat production as about the same or slightly larger than that of 1948. In this event, civilian consumption per capita would be between 140 and 145 pounds compared with 134 pounds in 1937-41, 155 pounds in 1947, and an estimated 145 pounds this year. For the first half of next year, we see a little less meat than in the first part of 1948. However, summer meat output may be larger next year than this, and extra pork will provide more total meat supplies late in 1949 than we now anticipate for the remainder of 1948.

More of next year's meat will thus be pork and less will be beef and other kinds. A larger part of the beef probably will be of the better grades.

Wool prices, after remaining close to support levels for nearly two years, improved substantially in the summer of 1948. Prices are expected to average higher than the support level of about 42 cents in 1949, chiefly because of premiums for the finer qualities of wool. Wool stocks are down, and the finer qualities are expected to continue relatively scarce in 1949.

In our outlook we have said that since meat supplies will not be greatly different next year than in 1948, changes in prices of meats and meat animals will be due mainly to changes in demand. Even if meat and meat-animal prices should drop moderately in 1949, they would still be high by all past standards. It is to be expected that the late fall run of hogs next year will bring a bigger seasonal price decline than usual. Also, the smaller output of beef may result in relatively higher average 1949 prices of beef and beef cattle than of pork and hogs.

Another of our statements is that although 1949 will not be a year of much larger meat supplies, it could be the turning point in the current downward trend. This is especially likely if feed crops are large again next year. But this looking ahead takes us close to the 1950-54 period, with which Mr. Crickman will deal.