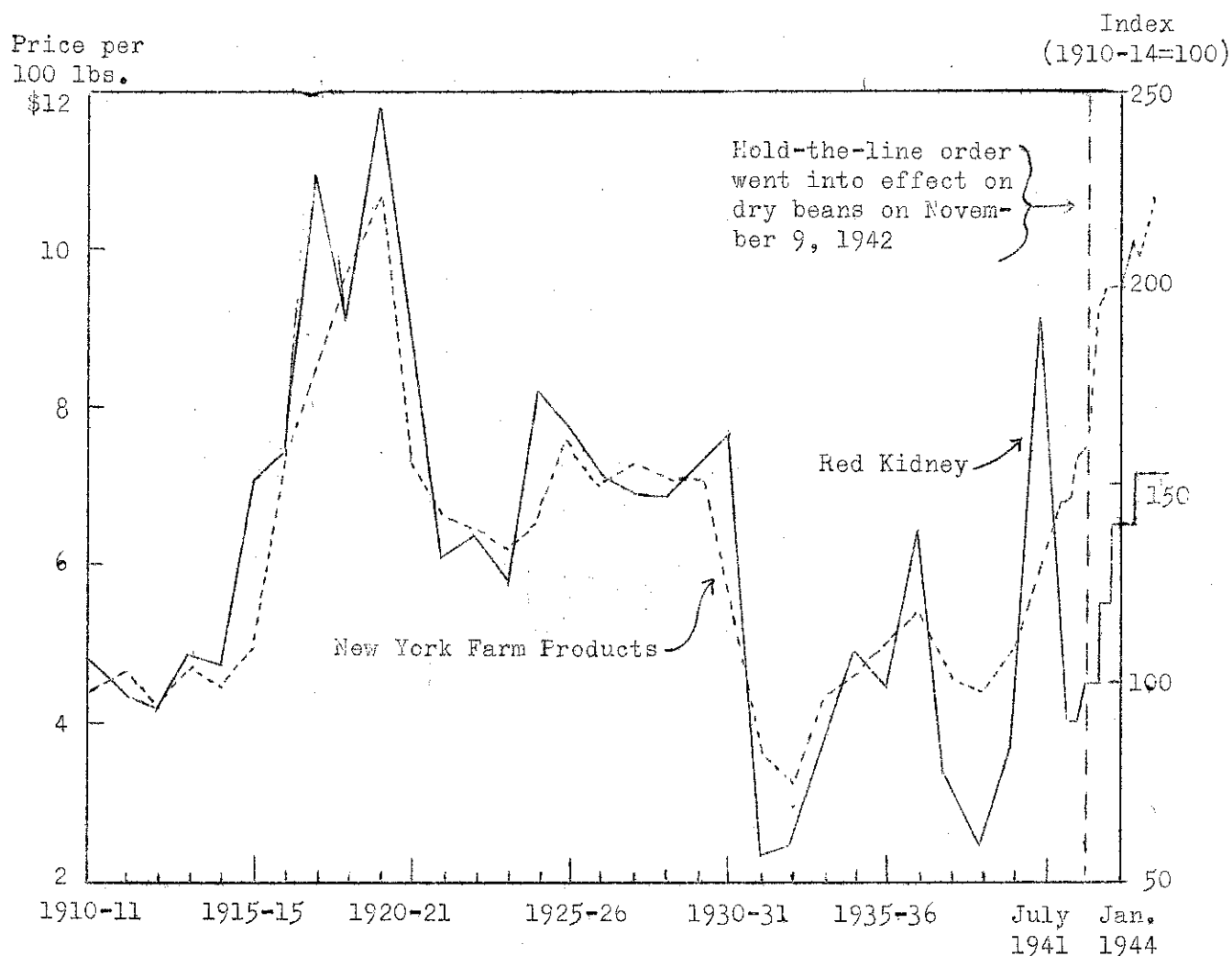


DRY BEANS

The Economic Situation of Dry Bean Growers
in New York, January 1944



COMPARISON OF THE FARM PRICE OF RED KIDNEY BEANS IN WESTERN NEW YORK
WITH THE AVERAGE OF ALL NEW YORK FARM PRODUCTS, 1910 TO 1944

Since 1942 the price of red kidney beans has remained seriously out of line with the price of all New York farm products because of low ceiling and support prices.

(Starting with the 1940-41 season, prices are by months)

Prepared by
T. E. LaMont

Department of Agricultural Economics
New York State College of Agriculture
Ithaca, N. Y.

THE ECONOMIC SITUATION OF DRY BEAN GROWERS
IN NEW YORK, JANUARY 1944

<u>CONTENTS</u>	<u>Page</u>
New York Farmers Normally Grow 8 Per Cent of the Dry Beans and Three-Fourths of the Red Kidneys - - - - -	4
Dry Beans Are An Important Crop in New York - - - - - More dry beans were grown in New York during the past 10 years than during any 10-year period.	4
What Has Happened to the Acreage of Dry Beans in New York and Other States? - - - - - The acreage of dry beans planted in New York in 1943 was 15 per cent <u>less</u> than during the 5 years 1937 to 1941, while the acreage in the United States was 42 per cent <u>more</u> .	5
Why Did the Acreage of Dry Beans Decrease in New York and Increase in Other States? - - - - - From 1937-41 to 1943 the farm price of dry beans in New York increased 59 per cent, while the price in the Great Northern Area more than doubled.	8
Spread in the Farm Price of Dry Beans Between New York and the Great Northern Area - - - - - The Spread in the farm price of beans between New York and the Great Northern Area during 1937 to 1941 was \$1.21 per hundred-weight as compared with only \$.25 in 1942 and \$.48 in 1943.	9
Changes in the Prices of Other Farm Products in New York - - - - - From 1937-41 to November 1943 the farm price index for all New York farm products increased 91 per cent while the farm price of dry beans increased only 59 per cent.	10
Varieties of Dry Beans Grown in New York - - - - - New York grows three-fourths of the red kidney beans grown in the United States and practically all of the white marrow and white kidney beans.	10
Price Trends of Different Varieties of Dry Beans - - - - - The average spread in farm price between red kidney and pea beans in New York was \$1.51 per hundredweight from 1896 to 1941. From 1932 to 1941 the spread in price between these two varieties was \$1.37.	11
Red Kidney Prices Go Down Due To a Number of Abnormal Circumstances, and are Frozen at Low Level - - - - - Because of high prices for the 1940 crop, the production of red kidney beans in New York doubled from 1940 to 1941. Following Pearl Harbor no tin was allotted for beans and the Puerto Rican market was cut off.	13

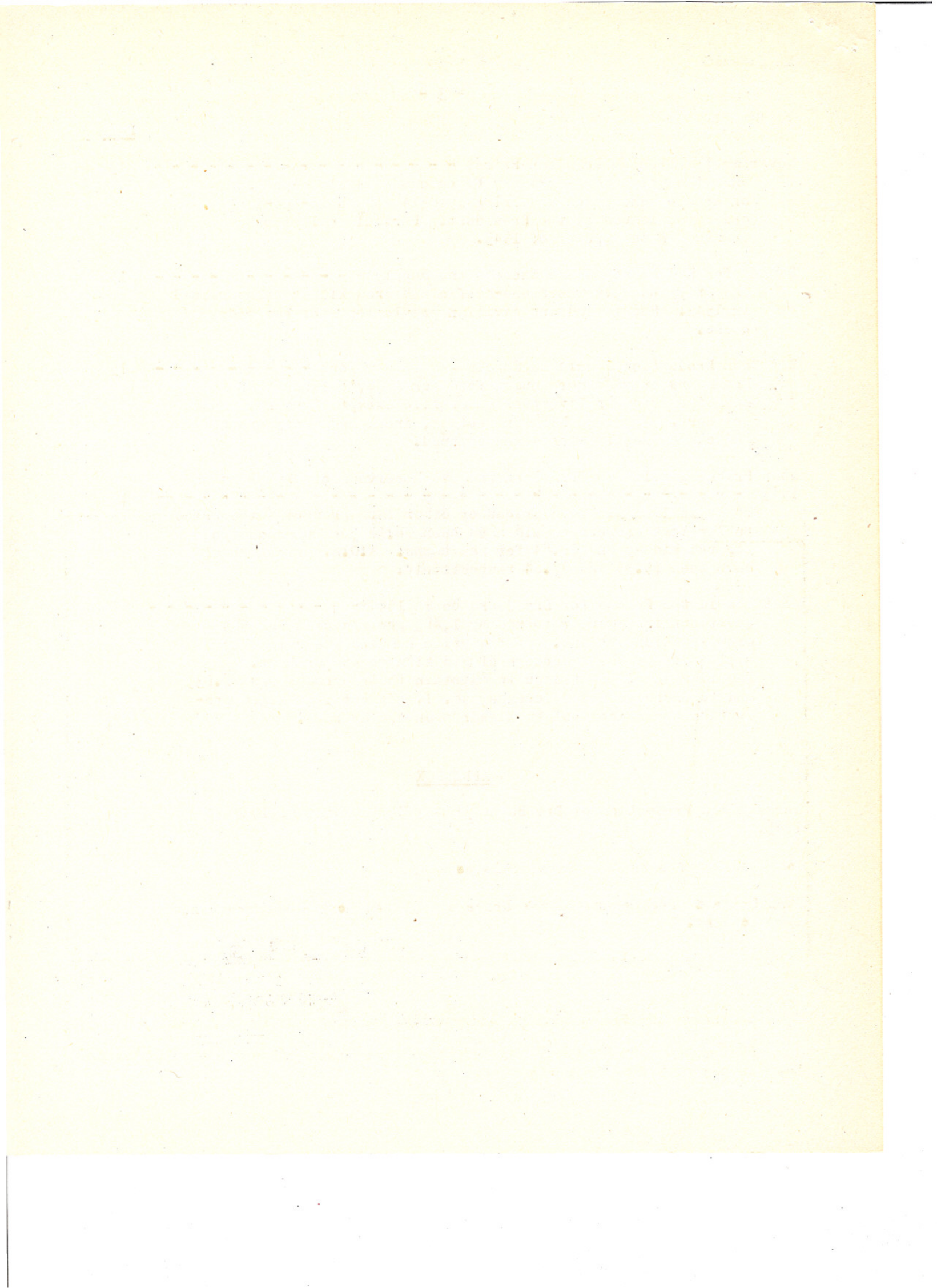
Government Action on Dry Bean Prices - - - - -	13
When the price of red kidney beans was severely depressed, or at the same price as during 1910-14, the hold-the-line order was issued by the President. Partial relief was granted in the spring of 1943.	
Demand for Red Kidney Beans Exceeds the Supply - - - - -	15
The Army and Navy wants one-half of the red kidney beans raised in 1943. Russia and our civilian population want red kidney beans.	
Dry Bean Production Should Be Encouraged in New York - - - - -	15
Dry Beans provide more human food for a day's labor than any other crop or livestock enterprise except soybeans, wheat and corn. They are high in protein, iron, and phosphorous and can be easily stored and shipped.	
What Prices Should New York Farmers Have Received for Dry Beans in 1943? - - - - -	17
To be in line with the prices of other farm products, the price to New York growers should have been \$8.34 per hundredweight for red kidney and \$6.84 for pea beans. F.O.B. prices should have been \$9.34 and \$7.84 respectively.	
What Should the Prices for Dry Beans be in 1944? - - - - -	18
Questionnaires were returned by 1,483 growers, of which 904 grew red kidney beans. If the price remains the same they will decrease their acreage of red kidneys 45 per cent. The average of the prices to maintain their acreage was \$8.03; and to increase their acreage, \$8.81. To obtain maximum production the price must be higher than the average.	

APPENDIX

Acreage and Production of Dry Beans in the United States, 1938 to 1943.

Cost and Returns on Dry Beans, 1914 to 1942.

Farm Price of Pea Beans and the Price of all New York Farm Products, 1910 to 1944.



Dry beans are an important crop in New York, both in acreage and value of the crop. Wheat and potatoes have been the only cash crops grown on a greater acreage in the State than dry beans. The farm value of dry beans in New York in 1942 was \$6,885,000. The only cash crops exceeding dry beans in value were wheat, apples, and onions.

Dry beans have been, and after the war will be, a permanent industry in New York State. They are needed even more during the war, yet the price-policy of the Federal government has discouraged the production of dry beans in the State.

What Has Happened to the Acreage of Dry beans in New York and Other States?

The acreage of dry beans planted in New York State in 1943 was 15 per cent less than in the 5 years, 1937 to 1941, while the acreage in the United States was 42 per cent more (Table 2). During this period the acres of beans in the Great Northern Area doubled and in the Pinto Area increased 43 per cent. In every important bean growing state in the United States the acreage of beans increased except in New York State.

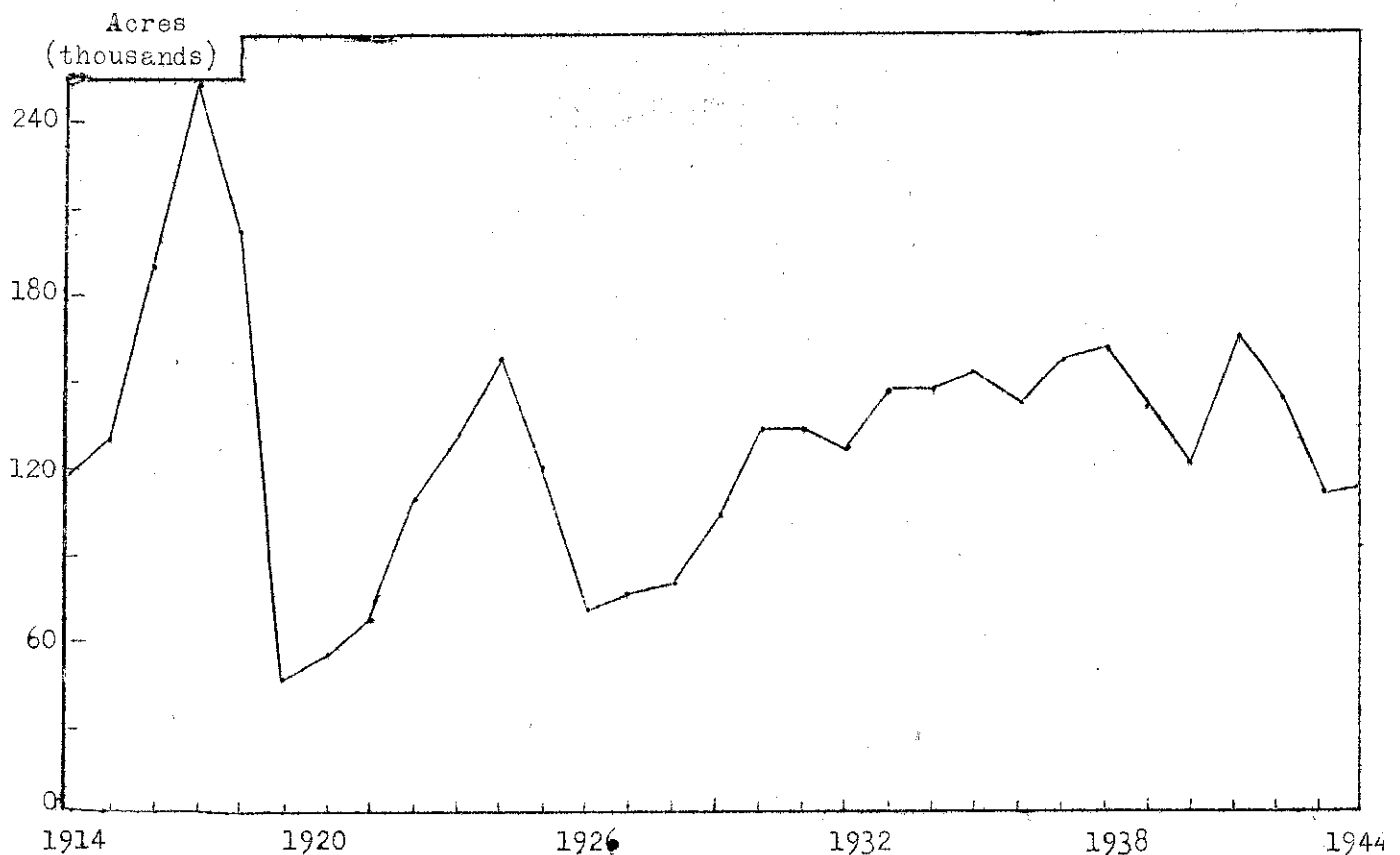


FIGURE 1. ACRES OF DRY BEANS HARVESTED IN NEW YORK, 1914 TO 1943

During the past 10 years more dry beans have been grown in New York State than in any previous 10-year period.

TABLE 2. ACRES OF DRY BEANS PLANTED, 1937 TO 1943

State	5-year average (1937-41)	1941	1942	1943	Percent change from 1937-41 to 1943
		1000 acres			Percent
NEW YORK	156	170	158	132 +	- 15 +
Michigan	571	821	633	791	+ 39
<u>Great Northern Area:</u>					
Idaho	116	136	150*	167*	+ 44
Wyoming	60	63	80	115	+ 92
Montana	19	20	26	66	+ 247
Nebraska	24	29	38	101	+ 321
Total	219	248	294	449	+ 105
California	371	406	386	452	+ 22
<u>Pinto Area:</u>					
Colorado	378	340	350	584	+ 54
New Mexico	238	270	275	300	+ 26
Arizona	14	14	14	15	+ 7
Total	630	624	639	899	+ 43
Other States	30	35	34	64	+ 113
United States	1,977	2,304	2,144	2,807	+ 42

* For Idaho the acreage harvested in 1942 and 1943 in the December 1943 crop report was larger than the acreage planted as reported in September 1943. The above figures are the acreage harvested plus 3 per cent, which is the average abandonment for Idaho.

+ Revised figure on acres planted. Data are from a letter from Roy Gillette, State Statistician.

The acreage of dry beans harvested in New York in 1943 was 113,006 acres; this is a decrease of 25 per cent from the acreage harvested from 1937-41 (150,000 acres).

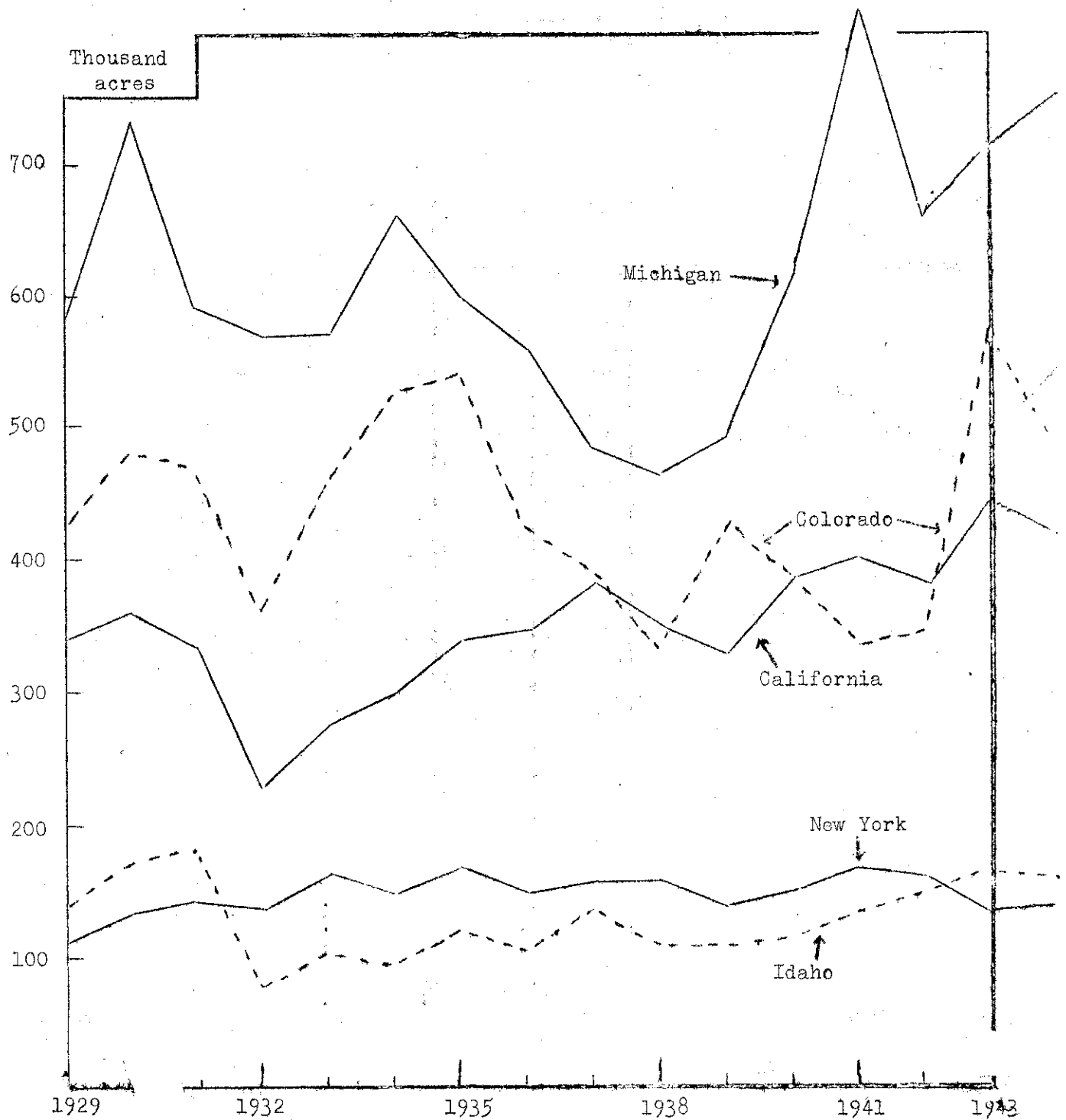


FIGURE 2. ACRES OF DRY BEANS PLANTED IN IMPORTANT STATES, 1929 TO 1943

From 1942 to 1943 the acres of dry beans planted increased in all important bean states except New York.

Why Did the Acreage of Dry Beans Decrease in New York
and Increase in Other States?

All farmers respond to changes in prices. The New York farm price of beans increased 59 per cent from 1937-41 to 1943, while for the United States as a whole the increase was 82 per cent (Table 3). In the Great Northern Area the farm price of beans in 1943 was more than double the average price from 1937 to 1941.

TABLE 3. FARM PRICE OF DRY BEANS BY STATES, 1937 TO 1943

State	Average farm price* per 100 pounds				Percentage increase in farm price from:	
	1937-41	1941	1942 Nov.	1943 Nov.	1937-41 to 1942	1937-41 to 1943
NEW YORK						
Red Kidney	\$4.32	\$5.10	\$4.44	\$6.50	+ 3	+ 50
Pea Beans	3.00	4.31	4.44	5.50	+ 48	+ 83
All varieties	3.88	5.80+	4.95+	6.15	28	59
Michigan	3.14	5.00	4.80	5.90	53	88
Great Northern Area:						
Idaho	2.55	3.50	4.75	5.65	86	122
Wyoming	2.76	3.55	4.65	5.80	68	110
Montana	2.76	3.50	4.70	5.60	70	103
Nebraska	3.12	3.70	4.60	5.60	47	79
Average	2.67	3.54	4.70	5.67	76	112
California	3.86	5.35	5.90	6.80	53	76
Pinto Area:						
Colorado	3.23	3.20	4.60	5.70	42	76
New Mexico	3.34	3.20	4.80	5.70	44	71
Arizona	3.98	3.65	5.00	6.30	26	58
Average	3.28	3.21	4.68	5.71	43	74
United States	3.33	4.64	5.08	6.06	53	82

* The average farm prices from 1937 to 1941 are the season's farm prices as reported in Agricultural Statistics by the U.S.D.A. The figures for the 1942 season have not been published and the 1943 season is not completed. The prices used for 1942 and 1943 are the November prices as reported by the U.S.D.A.

The average price for the Great Northern Area and the Pinto Area are weighted by the production in each State.

+ In November 1942, the farm price of yellow eyes, and jumbo marrows in New York was \$1.50 per hundredweight above red kidneys, and white kidneys were \$2.25 above. In 1941 other varieties were also higher than pea beans or red kidneys. Also the price for all varieties for 1941 is the season's average price, while for red kidney and pea beans the price is a simple average of the prices for each month.

The change in the farm price of beans in the different bean growing areas from 1937-41 to 1942 and to 1943, and the response that farmers made in the acres of beans planted in 1943 is summarized in Table 4. The acreage of beans planted in 1943 was determined by the price received for the 1942 crop and the prices expected for the 1943 crop as compared with prices of other farm products.

TABLE 4. EFFECT OF CHANGES IN THE FARM PRICE OF DRY BEANS FROM 1937-41 TO 1943 ON THE CHANGE IN ACREAGE PLANTED IN DIFFERENT AREAS DURING THE SAME PERIOD

State and Area	Percent change in price from:		Percent change in the acreage of dry beans planted from 1937-41 to 1943
	1937-41 to 1942	1937-41 to 1943	
NEW YORK	+ 28	+ 59	- 15
Michigan	+ 53	+ 88	+ 25
Great Northern Area	+ 76	+ 112	+ 111
California	+ 53	+ 76	+ 19
Pinto Area	+ 43	+ 74	+ 44
United States	+ 53	+ 82	+ 36

Spread in the Farm Price of Beans Between New York State
and the Great Northern Area

From 1937 to 1941 the New York farm price of beans averaged \$1.21 per hundredweight higher than the price in the Great Northern Area (Table 5). In 1942 with a one ceiling price for each variety for the whole United States there was only 25 cents per hundredweight difference in the average price. During 1943 the support price for red kidney beans was set \$1.20 per hundredweight above the No. 1 ceiling price, and pea beans 70 cents above. This increased the spread between New York and the Great Northern Area average price of beans to 48 cents per hundredweight which was only 40 per cent of the spread during the period 1937 to 1941.

TABLE 5. COMPARISON OF THE AVERAGE FARM PRICE OF DRY BEANS IN NEW YORK AND THE GREAT NORTHERN AREA, 1937 TO 1943*

	Average farm price per 100 pounds				
	1937-41	1941	1942 Nov.	1943 Nov.	1944 Nov.
NEW YORK	\$3.88	\$5.80	\$4.95	\$6.15	\$6.40
Great Northern Area	2.67	3.54	4.70	5.67	5.90
Difference	1.21	2.26	.25	.48	.50

Data from Table. 3.

Changes in the Prices of Other Farm Products in New York

Whether farmers grow beans depends to a large extent on the price of beans as compared with other farm products. From 1937-41 to November 1943 the average farm price index of all New York farm products increased 91 per cent, while the farm price of beans increased only 59 per cent (Table 6).

When 1910-14 is used as a base for comparison and is called 100, the index of the farm price of beans in New York was 153 as compared with 208 for all New York farm products.

TABLE 6. CHANGE IN THE FARM PRICE OF FARM PRODUCTS
IN NEW YORK FROM 1937-41 TO 1943

Product	1937-41	1943 November	1944 Nov.	Percent change from 1937-41 to Nov. 1944	
				Price Index* (1910-14=100)	Percent
All New York farm products	109	208	216	+ 91	+98
BEANS	96	153	159	+ 59	+66
Corn	102	156	165	+ 53	+62
Oats	91	196	165	+ 115	+81
Barley	78	161	157	+ 106	+101
Wheat	91	168	164	+ 85	+80
Potatoes	104	277	277	+ 166	+166
<u>Price per ton+</u>					
Cabbage	\$11.87	\$34.08		+ 187	
Peas, canning	54.55	87.30	87.30	+ 60	+61
Sweet corn, canning	11.26	19.20	22.00	+ 71	+95
Tomatoes, canning	12.88	25.20	25.50	+ 94	+98
Beets	13.14	22.40	27.40	+ 70	+109

* Price indices are from Farm Economics.

+ Vegetable prices are from Vegetable Crops in New York and the United States, by M. C. Bond; Mimeographed report A.E. 69, revised March 1943; and from the December 1943 crop report. Vegetable prices are the average for the season.

Varieties of Dry Beans Grown in New York

Practically all of the white marrow and white kidney beans grown in the United States are grown in New York State (Table 7). New York Produces about three-fourths of the red kidneys and 7 per cent of the pea and medium white beans grown in the United States. Practically all of the other pea and medium beans are grown in Michigan.

Approximately one-half of all the beans grown in New York are red kidneys and one-third pea or medium white beans. The next most important variety is white marrows which amounted to about 8 per cent in 1943. White kidney and yellow eye each amount to about 2 per cent of the total grown in New York.

TABLE 7. ESTIMATED PRODUCTION OF DRY BEANS IN NEW YORK
AND THE UNITED STATES BY VARIETY, 1930 TO 1943

Variety	New York				United States				Percent grown in New York in 1943
	1930-39	1941	1942	1943	1930-39	1941	1942	1943	
	Thousand bags (100 lbs.)				Thousand bags (100 lbs.)				Percent
Pea and medium									
white	428	393	449	399	4,229	5,315	5,362	5,900	7
Red Kidney	354	799	689	536	641	1,187	887	697	77
White Marrow	135	145	159	85	146	146	159	85	100
White Kidney	80	44	50	27	82	46	51	28	96
Yellow Eye	78	36	49	28	126	134	141	164	17
Other varieties	26	36	40	44	8,073	11,675	12,435	14,925	---
Total	1,101	1,453	1,436	1,119	13,297	18,503	19,035	21,799	
	Per cent of total				Per cent of total				
Pea and medium									
white	38.9	27.0	31.2	35.7	31.8	28.7	28.2	27.1	
Red Kidney	32.1	55.0	48.0	47.9	4.8	6.4	4.7	3.2	
White Marrow	12.3	10.0	11.1	7.6	1.1	.8	.8	.4	
White Kidney	7.3	3.0	3.5	2.4	.6	.3	.3	.1	
Yellow Eye	7.1	2.5	3.4	2.5	1.0	.7	.7	.8	
Other varieties	2.3	2.5	2.8	3.9	60.7	63.1	65.3	66.5	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Price Trend for Different Varieties of Dry Beans

Prices received by New York farmers for the different varieties of beans as tabulated from records of bean dealers has followed closely the average farm price for all varieties of beans as reported and published by the United States Department of Agriculture (Figure 3).

For 45 years, 1896-97 to 1941-42, the average spread in price between red kidney beans and pea beans was \$1.51 per hundredweight. (Table 8). If one takes the 10 years prior to OPA price ceilings, the spread between these two varieties was \$1.37 per hundredweight. The spread was greater than usual during the 1940-41 season.

TABLE 8. DIFFERENCE IN FARM PRICE OF RED KIDNEY AND PEA BEANS,
WESTERN NEW YORK 1896 TO 1943

	Season					
	1896-97 to 1941-42	1932-33 to 1941-42	1940-41	1941-42	1942-43	Nov. 1943
	Prices per cwt.					
Red Kidney	\$5.13	\$4.38	\$7.01	\$5.10	\$4.92	\$6.50
Pea	3.62	3.01	3.45	4.31	4.70	5.50
Difference	1.51	1.37	3.56	.79	.22	1.00

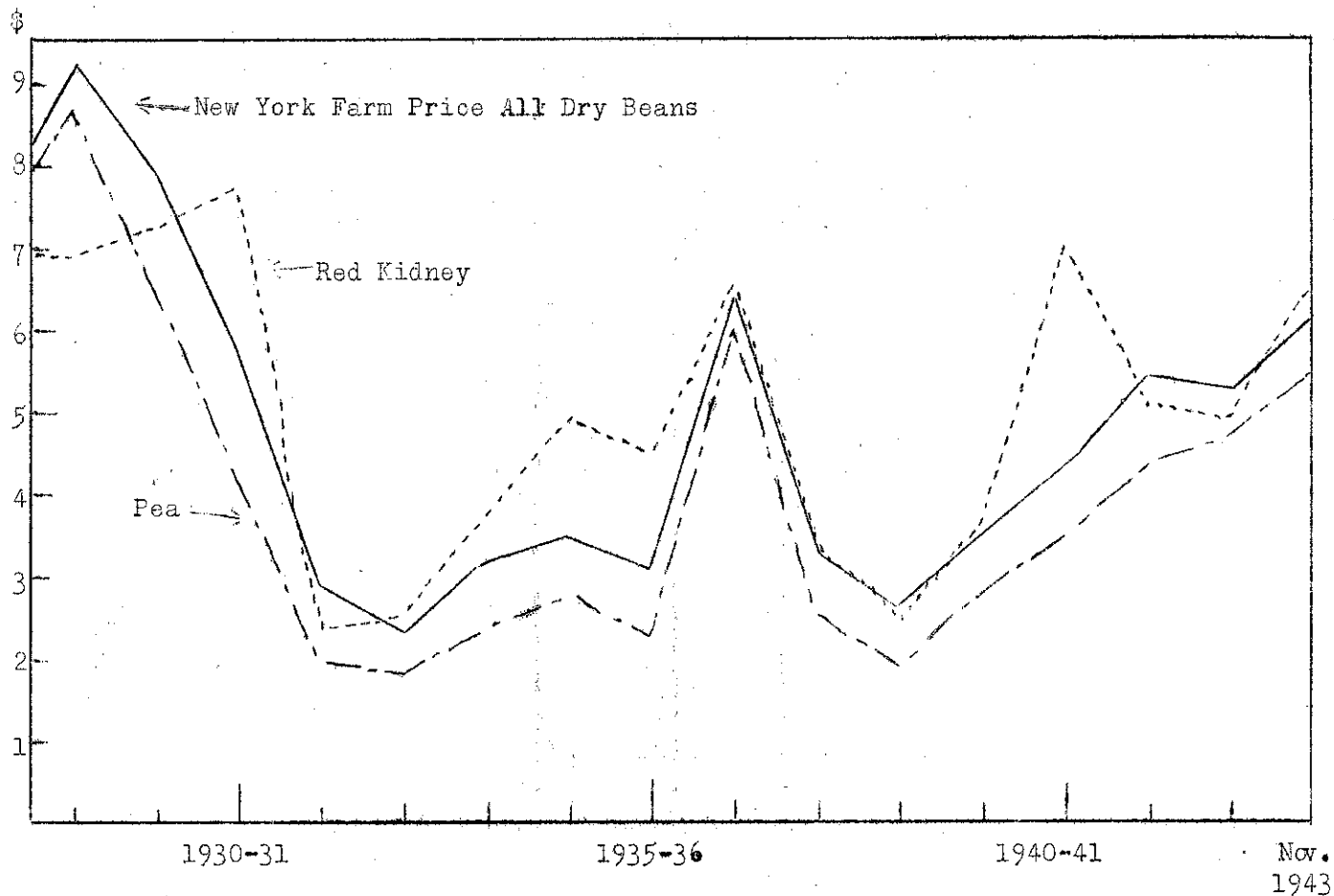


FIGURE 3. COMPARISON OF NEW YORK FARM PRICES FOR DRY BEANS (CROP REPORT) WITH PRICES RECEIVED FOR PEA AND RED KIDNEY BEANS 1927-28 TO 1943.

The prices received by farmers for pea and red kidney beans (from bean dealers) have followed closely the average price for all varieties of beans (crop report).

Sources: Curtiss, Leroy, New York; G.L.F., Batavia and Phelps, New York; and Coward, Stafford, New York; New York Farm Price Dry Beans from Farm Economics.

Red Kidney Prices Go Down Due to a Number of Abnormal Circumstances,
And Are Frozen At Low Level

The price of the 1940 crop of red kidney beans increased throughout the season and in April 1941 the farm price in New York was \$8.70 per hundredweight; then a number of things happened: --

- (1). The acreage of red kidney beans was increased and the production of this variety in New York in 1941 was double that for 1940; for the United States production was up 70 per cent.
- (2). In December 1941, following Pearl Harbor, two important outlets for red kidney beans were cut off.
 - a. The canning of beans in tin was prohibited.
 - b. The Puerto Rico market was cut off due to lack of ships.
- (3). The farm price of red kidney beans declined to \$4.00 per hundredweight in April 1942, which was the same as pea beans and less than one-half the price during the twenties. The farm price increased to \$4.50 in the fall of 1942 (Figure 4).
- (4). The hold-the-line order was put into effect on beans on November 9, 1942. For red kidney beans this meant to hold something that was severely depressed, or about the same as the price for 1910-14 and about one-half the price during the twenties.
- (5). Increases totaling \$2.00 per hundredweight have been granted on red kidneys but this has not been sufficient to restore it to its normal position.

Government Action on Dry Bean Prices

OPA on November 9, 1942 fixed the F.O.B. ceiling prices for these two varieties at the same figure (Table 9). On March 25, 1943 the ceiling price on red kidneys was raised 70 cents and pea beans 20 cents. Thus a spread of 50 cents was created, which was one-third of the normal spread. When support prices were announced for the 1943 crop in April 1943, the F.O.B. price for red kidney was set at \$7.50 and pea beans at \$6.50. This made a spread of \$1.00 per hundredweight, which was two-thirds of normal.

TABLE 9. F.O.B. CEILING PRICES, SUPPORT PRICES AND PRICES PAID FARMERS
FOR RED KIDNEY AND PEA BEANS FROM NOVEMBER 9, 1942
TO DECEMBER 30, 1943

	F.O.B. Ceiling prices No. 1		F.O.B. Support prices		New York farm prices	
	Red Kidney	Pea	Red Kidney	Pea	Red Kidney	Pea
November 9, 1942 to March 25, 1943	\$5.60	\$5.60			\$4.50	\$4.50
March 25, 1943 to August, 1943	6.30	5.80			5.50	5.00
September 1943 to July 31, 1944	6.30	5.80	\$7.50*	\$6.50*	6.50	5.50
August 1944 to date	6.55	6.05	8.20**	6.50**	7.15**	5.65**

* Announced April 1943 for the 1943 crop.

** Begins on September 1, 1944.

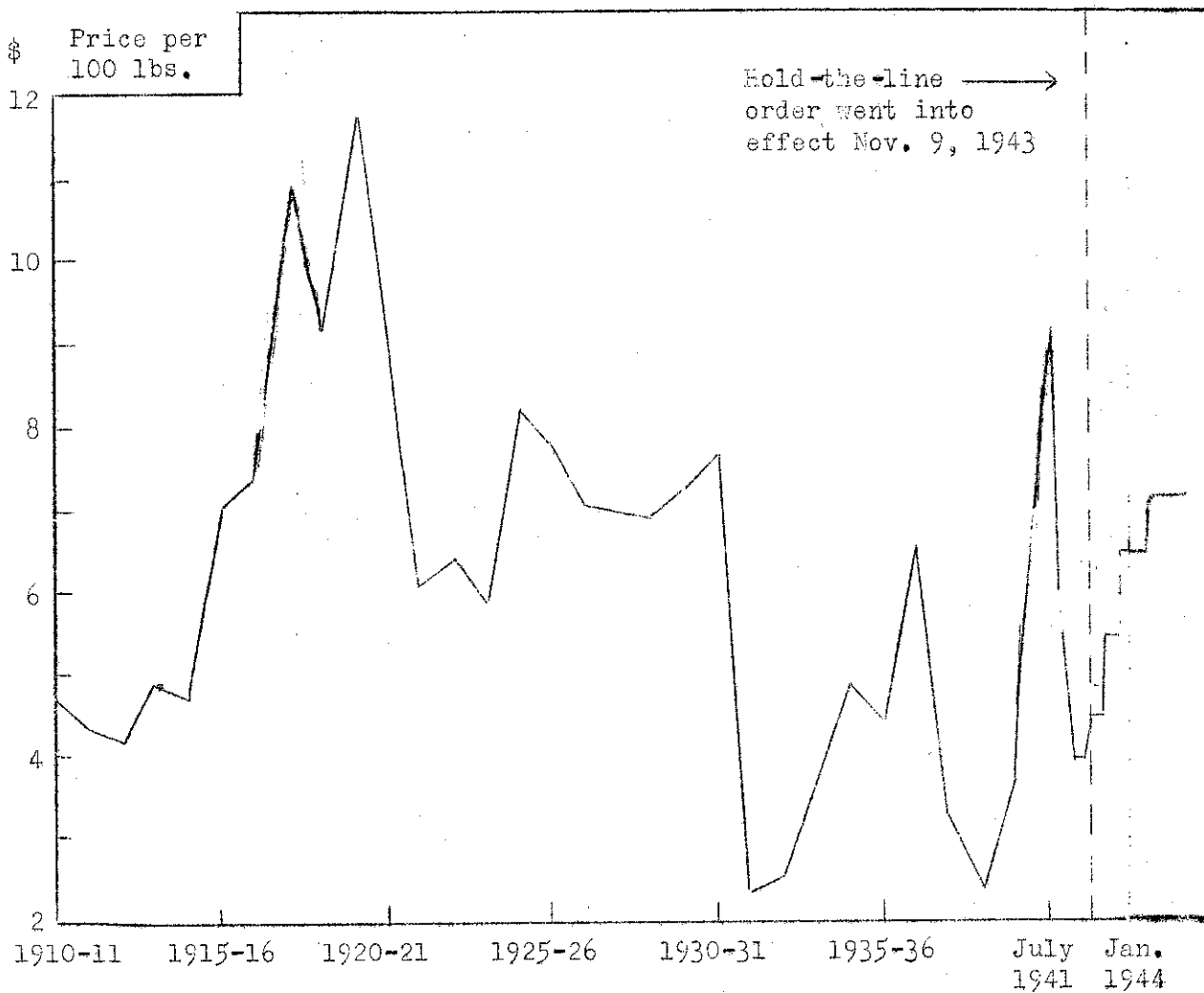


FIGURE 4. FARM PRICE OF RED KIDNEY BEANS IN WESTERN NEW YORK
FROM 1910 TO 1944

(Starting with the 1940-41 season, prices are by months)

When the hold-the-line order went into effect, red kidney bean prices were lower than at any time except during the depression of the Thirties. In January 1944, red kidney prices were below those of the Twenties.

Demand for Red Kidney Beans Exceeds Supply

The Army has asked for 250,000 bags (100 lbs.) of red kidney beans for 1944, and the Navy wants about 80,000 bags. This totals 330,000 bags or approximately one-half of the total production of red kidney beans in the United States. Russia wants red kidney beans and we have our increasing civilian requirements to meet. As the supply of meat decreases, the need for other high protein food such as dry beans will increase.

Dry Bean Production Should Be Encouraged in New York

If prices for dry beans remain unchanged, much of the land which has formerly grown beans will be planted to corn for grain or oats. Grain prices have advanced rapidly during the past year and corn has been difficult and at times impossible to obtain.

When grain is fed to livestock, about 80 per cent of the human feeding value is lost. Also the caring for the livestock takes additional labor, that could be used in growing crops for direct human consumption, so the loss in terms of labor is greater than 80 per cent.

The pounds of human food produced with a days labor growing dry beans is 5 times that for pork, and 7 times that for milk and 21 times that for eggs and chickens. (See graph on next page). The only crops where more human food is produced with a days labor than on dry beans are soybeans, wheat and corn.

With a reduction in the number of livestock, because of the shortage of feed, it is important to consider the food elements in dry beans. Dry beans are high in protein, phosphorous and iron. Among the 44 more important vegetables, fruits and field crop beans ranks 4th or 5th in each of these elements produced per acre (Table 10).

Vegetable crops require a large amount of labor per acre as compared with dry beans or other field crops. For a days labor dry beans rank 4th among the 44 crops in calcium, thiamine, riboflavin, and niacin, as well as being 4th in iron and 5th in protein and phosphorous. (Table 11).

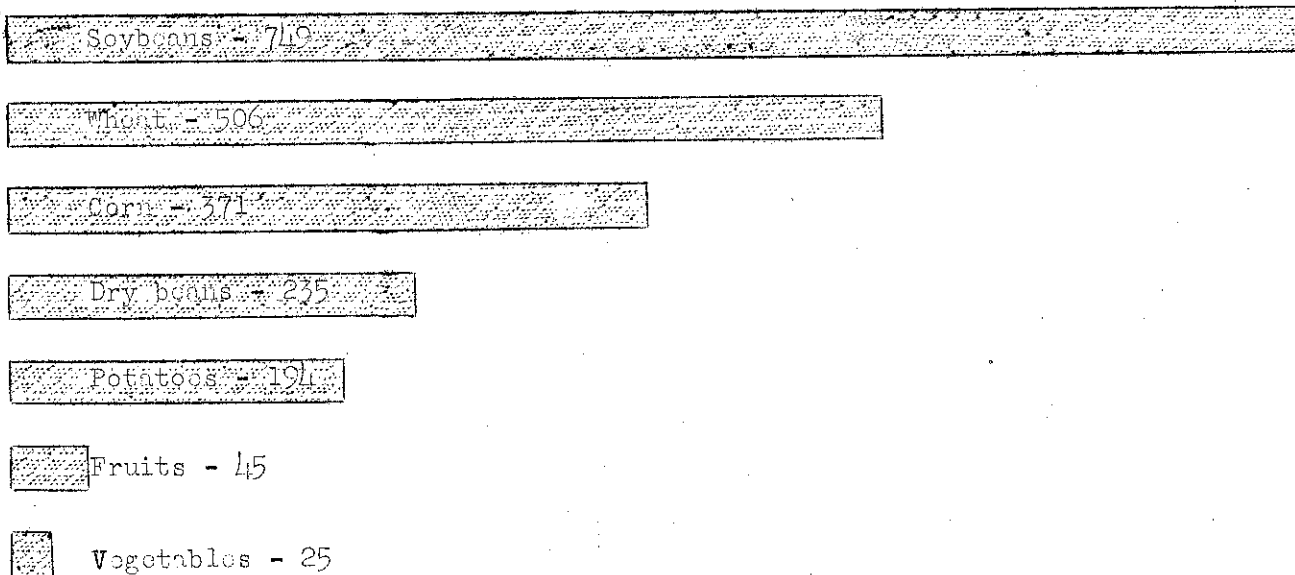
TABLE 10. RANK OF DRY BEANS IN AMOUNT OF DIFFERENT
FOOD ELEMENTS PRODUCED PER ACRE*

	Rank among 44 vegetable, fruit and field crops	The amount in dry beans is exceeded only by:
Protein	4	Soybeans, peas and carrots
Calcium	13	11 vegetables, soy- beans, sweet potatoes
Phosphorous	5	Soybeans, carrots, celery and onions
Iron	5	Carrots, soybeans, plums and kale

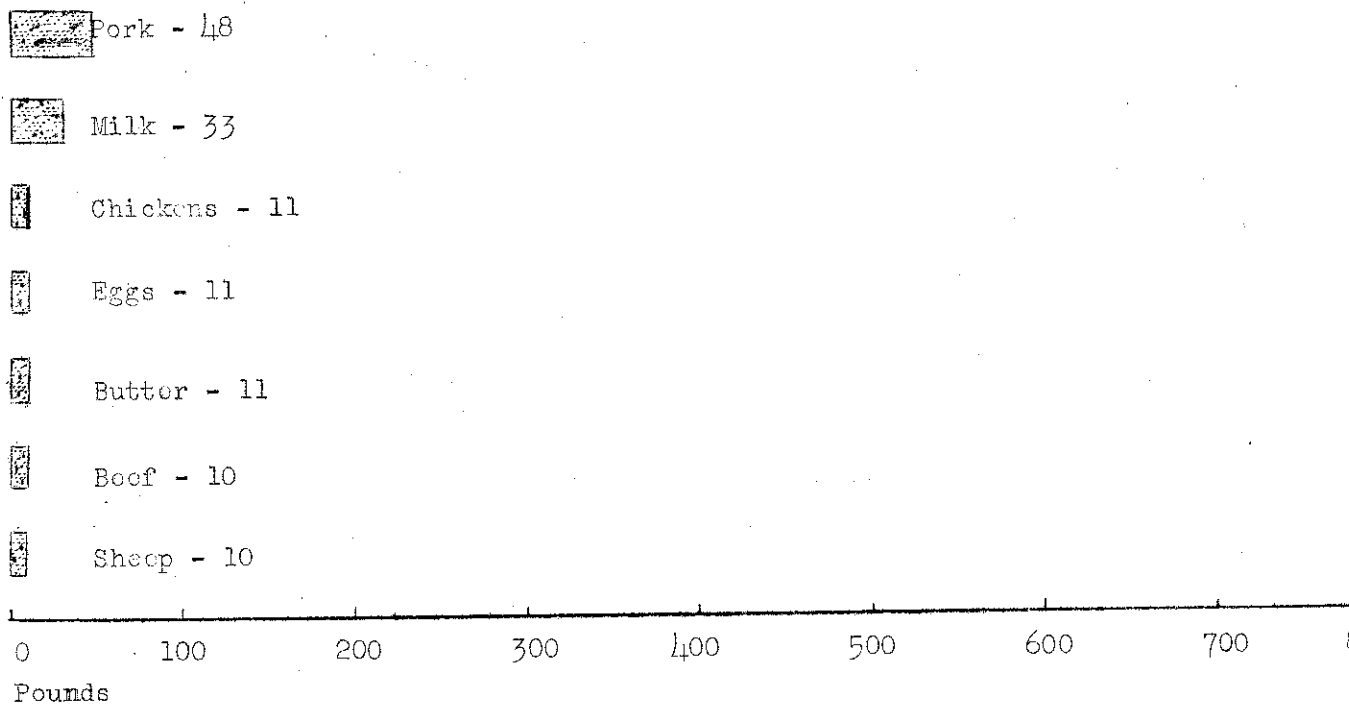
* Data from Using Resources to Meet Food Needs by Raymond P. Christensen. Mimeographed report, Bureau of Agricultural Economics, U.S.D.A., May 1943.

POUNDS OF HUMAN FOOD* PRODUCED WITH
ONE DAY'S LABOR, UNITED STATES

Crop Products



Animal Products (including labor to produce the feed)



*Dry edible matter. The wheat figure is for white flour; corn is for cornmeal.

Graph by Drs. F. F. Hill and F. A. Harper.

TABLE 11. RANK OF DRY BEANS IN AMOUNT OF DIFFERENT
FOOD ELEMENTS PRODUCED WITH A DAYS LABOR+

	Rank among 44 vegetable, fruit and field crops	The amount in dry beans is exceeded only by:
Protein	5	Soybeans,wheat*,oats*, barley
Calcium	4	Soybeans, oats, and wheat
Phosphorous	5	Soybeans,wheat,oats,and barley
Iron	4	Soybeans, wheat, and oats
Thiamine	4	Soybeans, oats, and wheat
Riboflavin	4	Soybeans, wheat, and oats
Niacin	4	Wheat,soybeans, and Irish potatoes

* Wheat refers to whole wheat flour, and oats to rolled oats.

+ For source of data see footnote to Table 10.

Dry beans are one of the cheapest sources of human food. The cost per calorie or per pound of protein in dry beans is only one-ninth that in beefsteak (Table 12). Even if the price of beans was doubled, beans would still be a cheap source of food. One way to keep down the cost of living is to encourage the production of low cost foods such as dry beans in all areas.

TABLE 12. COMPARISON OF THE COST OF FOOD IN DRY BEANS AND BEEFSTEAK

	Calories per pound	Retail price Buffalo, N.Y. Sept. 1943	Cost for 1,000 calories	Per cent		
				Protein	Fat	Water
Dry beans	1,585	\$.09	\$.06	22	2	10
Beefsteak	785	.42	.54	12	24	40

What Prices Should New York Farmers Have Received For Dry Beans in 1943?

New York farmers would have maintained their acreage of dry beans if the price of beans had advanced as rapidly as the prices of other farm products. All New York farm products in November 1943 were 91 per cent higher than during 1937 to 1941. The average New York farm price of beans from 1937 to 1941 was \$3.88 per hundredweight, and increasing this price by 91 per cent gives \$7.41 per hundredweight.

Another way to calculate a fair price for beans for 1943 is to take the change in all New York farm products since 1910 to 1914. From 1910-14 to November 1943 the average of all New York farm products increased 108 per cent. The average New York farm price of beans during the period 1910-14 was \$3.97 per hundredweight, and increasing this price by 108 per cent gives \$8.26 per hundredweight. If one averages the prices obtained by the two methods (\$8.26 and \$7.41) one obtains \$7.84.

If the average New York farm price was \$7.84, what would be a fair price for the 1943 crop of pea beans and red kidneys?

Assuming a normal spread of \$1.50 per hundred between pea beans and red kidney beans, and the state production of one-third pea beans and two-thirds red kidney and other varieties in that price range, the farm price for pea beans in 1943 should have been \$6.84 per hundredweight and for red kidneys, \$8.34.

The above are prices to growers for the 1943 crop. F.O.B. prices would have to be approximately \$1.00 per hundredweight higher than the above farm prices, or \$7.84 for pea beans and \$9.34 for red kidneys.

Prices for the 1944 bean crop will need to be higher than the above prices which would have been fair prices for the 1943 crop. Prices of other farm products will be higher in 1944 than in 1943 and bean prices must be at least in line with other New York farm products if production is to be encouraged.

What Should the Prices for Dry Beans be in 1944?

To answer this question a questionnaire was sent to all bean growers in 14 counties in Western New York. Cards were returned by 1,483 growers who grew beans in 1943, of which 904 grew red kidney beans. These growers reported that if the price remains unchanged, they expect to decrease their acreage of red kidney beans by 45 per cent (Table 13).

The average of prices at which each grower states he would maintain his acreage of red kidney beans was \$8.03, and to increase his acreage, \$8.81. To obtain maximum production the price must be higher than the average, because about one-third of the growers' requests were above the average. The number of farmers making each price request for red kidney beans is shown in Table 14.

TABLE 13. RESULTS OF MAIL QUESTIONNAIRE SURVEY
ON DRY BEANS, DECEMBER 1943

	Red kidney	Pea and medium	Marrow	White kidney	Yellow eye
Number growing variety	904	451	195	38	43
Acres grown in 1943	12,326	6,231	2,121	231	294
If no change in price:--					
Acres expected to be grown in 1944	6,779	2,991	1,103	95	209
Percent decrease in acreage from 1943 to 1944	45	52	48	59	29
Average of prices to grow the same acreage as in 1943	\$8.03	\$7.21	\$8.02	\$9.32	\$7.20
Average of prices to increase acreage in 1944	\$8.81	\$7.76	\$8.81	\$9.86	\$8.39

At \$9.00 per hundredweight to growers for red kidney beans, 83 per cent of the growers would maintain their acreage in 1944 and 65 per cent would increase their acreage (Table 14).

TABLE 14. NUMBER OF GROWERS REQUESTING EACH PRICE TO MAINTAIN ACREAGE AND TO INCREASE ACREAGE OF RED KIDNEY BEANS IN 1944

Price to grower per cwt.	To maintain acreage			To increase acreage		
	Number of growers	Per cent of growers	Cumulative Per cent	Number of growers	Per cent of growers	Cumulative Per cent
\$6.50	75	9.7	9.7	9	1.2	1.2
7.00	71	9.2	18.9	25	3.2	4.4
7.50	75	9.7	28.6	42	5.4	9.8
8.00	286	37.0	65.6	239	30.9	40.7
8.50	61	7.9	73.5	75	9.7	50.4
9.00	74	9.6	83.1	110	14.2	64.6
9.50	1	.1	83.2	9	1.2	65.8
10.00	122	15.8	99.0	215	27.8	93.6
10.50	0	0	99.0	1	.1	93.7
11.00	3	.4	99.4	9	1.2	94.9
11.50	0	0	99.4	0	0	94.9
12.00	5	.6	100.0	39	5.1	100.0
Total	773	100.0		773	100.0	

At \$8.00 per hundredweight to the grower for pea and medium beans, 87 per cent of the growers would maintain their acreage and 76 per cent would increase their acreage in 1944 (Table 15).

TABLE 15. NUMBER OF GROWERS REQUESTING EACH PRICE TO MAINTAIN ACREAGE, AND TO INCREASE ACREAGE OF PEA AND MEDIUM BEANS IN 1944

Price to grower per cwt.	To maintain acreage			To increase acreage		
	Number of growers	Per cent of growers	Cumulative per cent	Number of growers	Per cent of growers	Cumulative Per cent
\$5.50	26	7.3	7.3	1	.3	.3
6.00	51	14.4	21.7	29	8.8	9.1
6.50	48	13.6	35.3	33	10.1	19.2
7.00	95	26.8	62.1	88	26.8	46.0
7.50	16	4.5	66.6	21	6.4	52.4
8.00	75	21.2	87.8	77	23.5	75.9
8.50	10	2.8	90.6	10	3.1	79.0
9.00	12	3.4	94.0	17	5.2	84.2
9.50	0	0	94.0	2	.6	84.8
10.00	19	5.4	99.4	40	12.2	97.0
10.50	0	0	0	0	0	97.0
11.00	1	.3	99.7	6	1.8	98.8
11.50	1	.3	100.0	0	0	98.8
12.00	0	0		4	1.2	100.0
Total	354	100.0		328		

ACRES OF DRY BEANS
5-yr. Average, 1943 & 1944
10-yr. Average Yield per Acre

Group and State	Acreage				Per cent change		Yield
	5-year average (1937-41)	1943	1944	1944 from:		10-year average (1933-42)	
				1937-41 average	1943		
	-thousand acres-			-per cent-		lb.	
NEW YORK	150	113	116	- 23	+ 3	828	
Michigan	545	617	660	+ 21	+ 7	829	
<u>Great Northern Area:</u>							
Idaho	115	168	144	+ 25	- 14	1,453	
Wyoming	54	112	91	+ 69	- 19	1,204	
Montana	18	62	20	+ 11	- 68	1,227	
Nebraska	21	80	47	+124	- 41	1,136	
Group total	208	422	302	+ 45	- 28	1,360	
California	372	442	327	- 12	- 26	1,272	
<u>Pinto Area:</u>							
Colorado	286	507	360	+ 26	- 29	464	
New Mexico	191	240	240	+ 26	0	339	
Arizona	12	14	15	+ 25	+ 7	449	
Kansas	---	1	1	---	0	337*	
Group total	490	762	616	+ 26	- 19	427	
Other States <u>1/</u>	25	48	36	+ 44	- 25	748	
Total United States	1,789	2,404	2,057	+ 15	- 14	859	

* Short-time average.

1/ "Other States" include: Maine, Vermont, Wisconsin, Minnesota, North Dakota, South Dakota, Texas, Utah, Washington, and Oregon.

Source: U.S.D.A. Crop Report, December 18, 1944.

During the period (1920-24) the average annual acreage of dry beans in the United States was 1,162,000 acres. The acreage in 1943, 2,404,000 acres, was more than two times the acreage of the early 20's. Most of the increase had occurred in the years before World War I. The acreage in 1944 was only 15 per cent above the average for the five pre-war years (1937-41) and was 14 per cent less than in 1943.

In New York the acreage of dry beans in the early 20's was about 100,000 acres. In the late 20's it dropped to about 75,000 acres and then increased to about 150,000 acres before World War II. During this war period the acreage has declined from the peak year of 1941, and in 1944 was nearly one-fourth less than the average of the five years before the war.

PRODUCTION OF DRY BEANS
5-yr. Average, 1943 & 1944
Yield per Acre 1944

DRY BEANS

Group and State	Production				Yield per Acre	
	5-year average (1937-41)	1943	1944	Per cent change		% change 1944 from 10-yr. av.
				1944 from: 1937-41 average	1943	
	-thousand bags (100#)-			-per cent-		lb. %
NEW YORK	1,236	1,119	731	- 41	- 35	630 - 24
Michigan	4,758	5,121	4,158	- 13	- 19	630 - 24
<u>Great Northern Area:</u>						
Idaho	1,698	2,604	2,088	+ 23	- 20	1,450 /
Wyoming	652	1,344	1,251	+ 92	- 7	1,375 + 14
Montana	239	577	240	/	- 58	1,200 - 2
Nebraska	265	920	588	+122	- 36	1,250 + 10
TOTAL	2,854	5,445	4,167	+ 46	- 23	1,380 + 1
California	4,910	5,169	3,843	- 22	- 26	1,175 - 8
<u>Pinto Area:</u>						
Colorado	1,439	2,865	2,088	+ 45	- 27	580 + 25
New Mexico	710	768	840	+ 10	+ 9	350 + 3
Arizona	52	84	64	+ 23	- 24	425 - 5
Kansas	2	2	4	+100	+100	420 + 25
TOTAL	2,203	3,719	2,996	+ 36	- 19	486 + 14
Other States 1/	190	349	233	+ 23	- 33	647 - 14
Total United States	16,151	20,922	16,128	/	- 23	784 - 9

/ Less than 0.5 per cent change.

1/ "Other States" include: Maine, Vermont, Wisconsin, Minnesota, North Dakota, South Dakota, Texas, Utah, Washington, and Oregon.

Source: U.S.D.A. Crop Report, December 18, 1944.

In spite of the increased consumption of the prized foods -- fruits, vegetables, dairy products -- in the past 20 years, the production of dry beans in the United States has increased. The record production of 1943 -- nearly 21,000,000 bags -- was almost three times the average annual production in the early 1920's. The production in 1944 was about the same as the five-year pre-war average but this was made up of a 46 per cent increase in Great Northern beans and a 36 per cent increase in Pinto beans which about offset the decrease in Red Kidney and Pea beans raised in New York and Michigan.

The New York producers have had better alternative crops than dry beans during this war period. Presumably when more nearly normal price relationships exist, many New York farmers will again grow dry beans.

Prices Received by Farmers: Annual

United States
Average

New York
Average

-Dollars per bushel-

5-year average (1937-41)
1942
1943
1944

\$2.09
2.82
3.39
3.70

\$2.43
3.07
3.38
3.77

MCB:45:60 COST AND RETURNS ON DRY BEANS ON 10 COST ACCOUNT FARMS, 1943*
Average yield, 17 bushels per acre (one-fourth above 10-year average yield)

	Amount	Rate	Value
<u>Average per acre</u>			
Man labor	37.0 hrs.	\$.49	\$18.31
Horse work	9.2 "	.27	2.52
Tractor	7.5 "	.44	3.32
Other equipment			2.81
Seed	0.8 bu.	5.49	4.39
Fertilizer	238.6 lbs.	.016 or \$32/ton	3.70
Manure	1.3 tons	2.08	2.71
Land			4.16
Threshing and Combining			1.98
Storing (building and interest)			1.01
Interest on costs			.31
All other costs			2.81
Total cost			\$48.03
<u>Return per acre</u>			
Beans	17.2 bu.	3.28	56.34
Bean pods	.40 tons	8.70	3.48
Total returns			59.82
Profit per acre			11.79
<u>Average per bushel</u>			
Price per bushel			3.28
Net cost per bushel			2.59
Profit per bushel			0.69
<u>Return per hour of labor</u>			0.81

* Data supplied by Herrell DeGraff, Cornell University

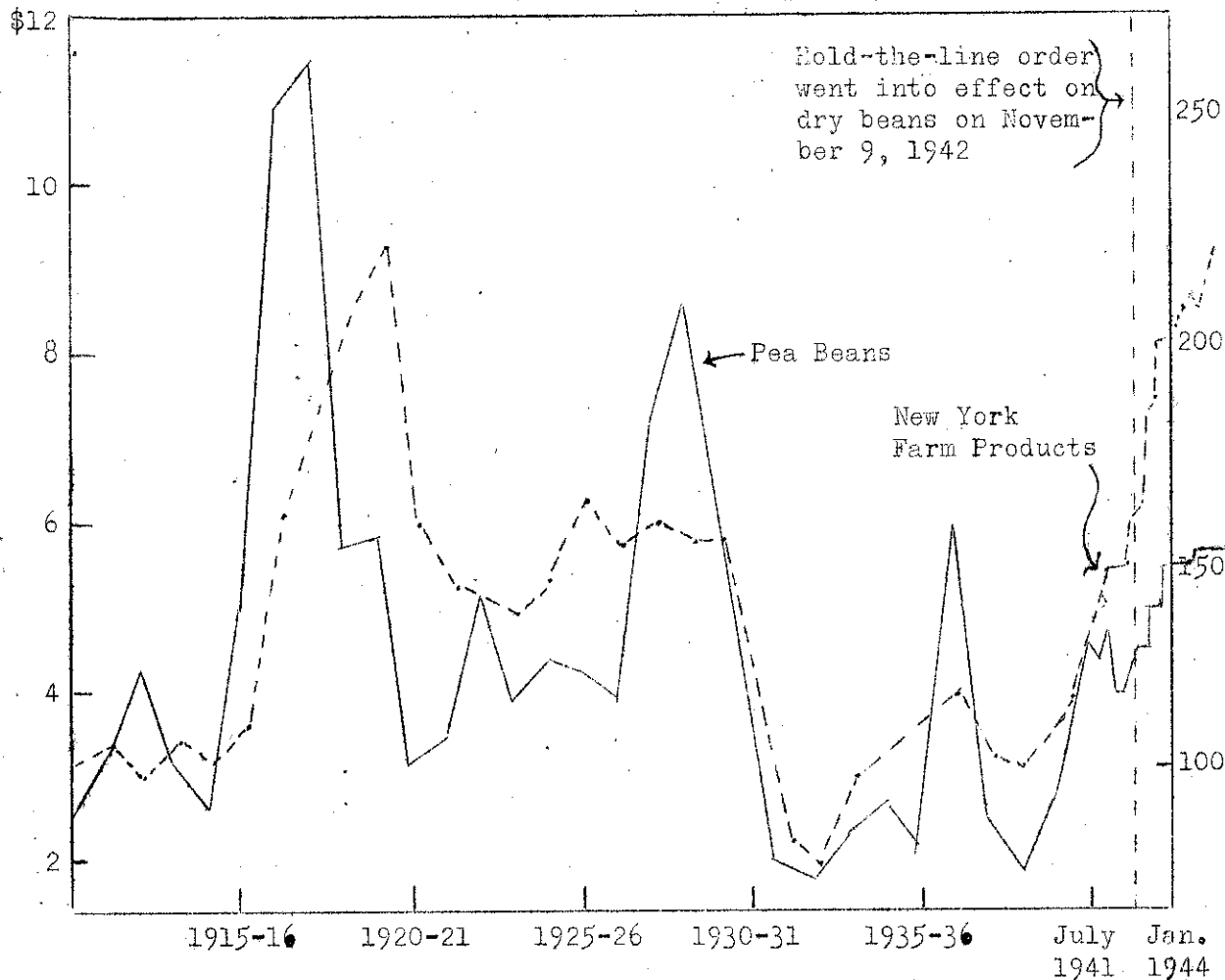
COSTS AND RETURNS ON DRY BEANS ON ACCOUNT FARMS, 1914 TO 1942*

Year	Number of Acc'ts.	Acres per farm	Average bushels per acre	Total cost per acre	Average per bushel			Hours of labor per acre	Return per hour of labor
					Cost	Price	Profit		
1914-18	43	10.1	10	\$42	\$5.14	\$3.74	-\$1.40	37	\$.12
1919-23	19	7.8	16	63	3.84	3.22	-.62	45	.23
1924-28	82	11.7	10	48	4.45	3.44	-1.01	27	-.06
1929-33	111	15.8	15	38	2.59	2.00	-.59	28	.05
1934-38	44	15.6	14	31	2.25	2.26	.01	27	.30
1939-42	30	17.6	14	33	2.57	2.21	-.36	25	.34
1939	9	19.7	15	31	1.94	1.90	-.04	24	.30
1940	13	16.2	8	30	3.81	2.04	1.77	25	-.22
1941 (not summarized)									
1942	8	16.9	18	37	1.96	2.69	.73	25	.95
1943	10	14.1	17	48	2.59	3.28	.69	37	.81
28 years	229	12.8	13	43	3.50	2.83	-.67	32	.15

* Data are from Twenty-five Years of Farm Cost Accounts by Paul Williamson; Cornell Extension Bulletin 439, June 1940; and from Farm Cost Accounts by Herrell DeGraff, A.E. 502, December 1944. 1943 not included.

Price per
100 lbs.

Index
(1910-14=100)



COMPARISON OF THE FARM PRICE OF PEA BEANS IN WESTERN NEW YORK
WITH THE AVERAGE PRICE OF ALL NEW YORK FARM PRODUCTS, 1910 TO 1944

Since 1942 the price of pea beans has remained seriously out of line with the price of all New York farm products because of low ceiling and support prices on pea beans.

(Starting with the 1940-41 season, prices are by months)

Sources of data for this graph and the graph on the cover are from Production and Marketing of Field Beans in New York, by H. N. Young. Cornell Experimental Station Bulletin 532, 1931. Prices for later years were tabulated by M. C. Bond from records of bean dealers.