Business Newsletter . . .

Bankers See Good Year For Farmers

Despite the drought in the Southwest, American Bankers Association has decided that financial outlook for farmers is excellent this year. **Bankers see strong financial position for agriculture** due to: increase of farm assets by 1% over past year; farmers in drought area are better off than expected because they have cut operating costs. Also reported that **conditions in livestock business have improved** substantially.

Drought Damage Increasing

More than 13 million acres in the southern part of the great plains have been **damaged by wind erosion** since last winter. Estimate of damage has increased 3 million acres since first of April. In addition to damaged acreage, more than 19 million acres are in condition to blow, lack adequate cover to prevent erosion if high winds and drought persist. Adding to the drought problem, **irrigation water** from melting snows **will be less than average** in western river systems this year, according to latest reports from the Soil Conservation Service.

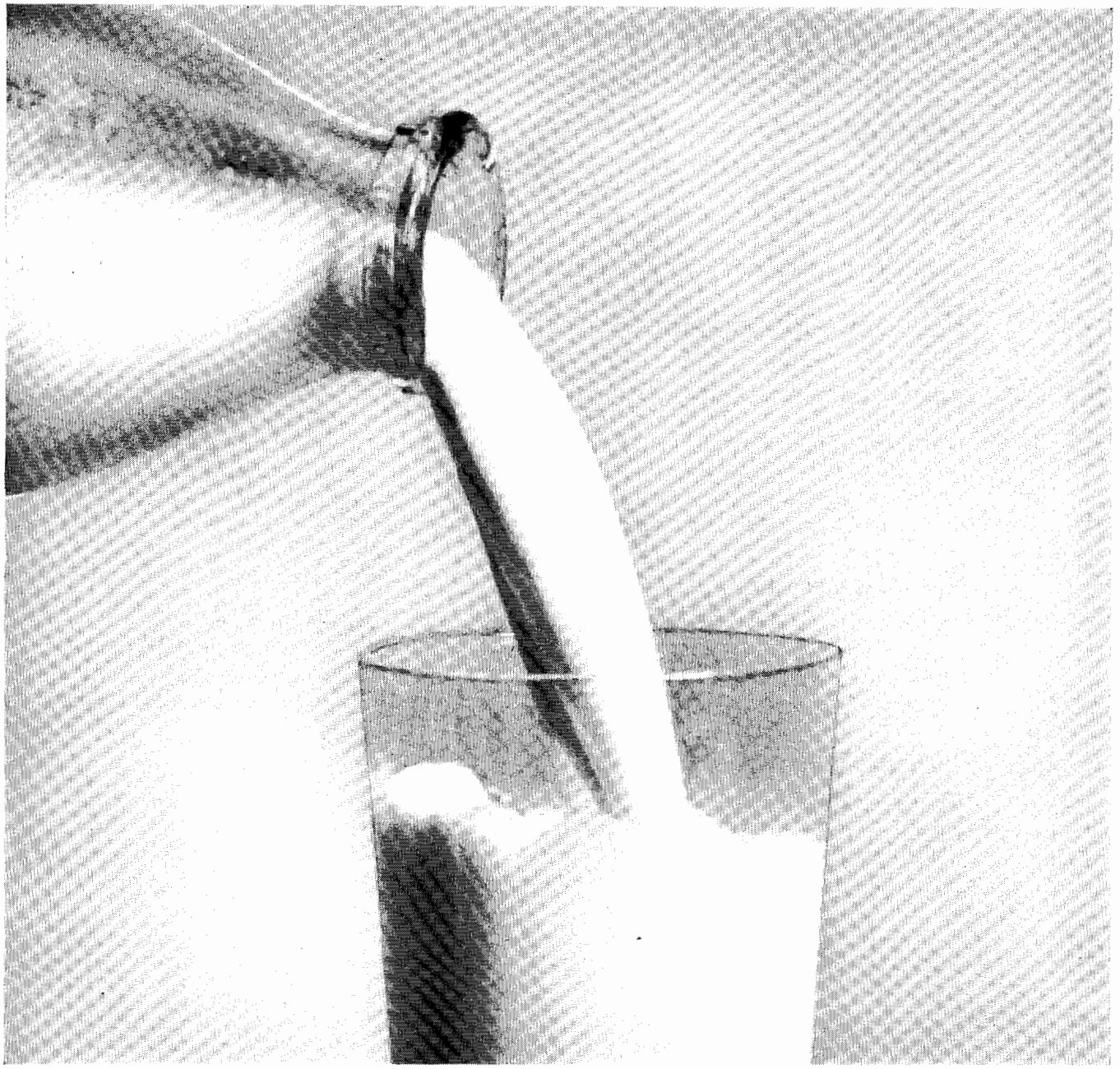
Farm Income Down

Farm income in 1954 was down either 10 or 1.5% depending on how you figure it. Realized income was down about 10% according to USDA, but when changes in farm inventories are considered total **net farm income was down about 1.5%.** Statistics do indicate that farmers had 10% less cash to spend and that's important to industry.

Drop Affects Fertilizers

Course of farm income is becoming increasingly significant to fertilizer industry according to NFA. Sales of fertilizers are running **5% behind 1954** in the South, in North **drop is nearer 10 or 15%.** USDA predicts farm income will go down even more this year, anticipated drop—5%. If decline continues farm income this year may be at lowest level since 1942.

- Insecticide safety has become a public relations problem for the whole chemical industry; some manufacturers realizing that the future of organic phosphates may be at stake are going all out on safety education, however it remains a difficult job (**p. 373**)
- Diammonium phosphate fits the high analysis trend, but how will it affect other producers; is a switch under way from sulfate to phosphate? (**p. 374**)
- Research on insect physiology uncovers chemicals which slow down but don't kill may offer a way out of the DDT resistance dilemma (**p. 375**)
- Forests offer a huge potential market for pesticides, insects threaten the tree crop in many areas, but chemicals specifically developed for forest insect control are needed (**p. 375**)
- USDA has two cooperative survey projects which coordinate work with Weather Bureau to forecast outbreaks of agricultural pests (**p. 377**)



56,000,000,000 QUARTS

Healthy, well-nourished dairy cows produced over 56-billion quarts of milk last year, enough to float several of the largest ships in the U. S. Navy—and enough to assure every American plenty of milk, cheese, butter and ice cream. Nutritious grass and fodder, grown in soil made rich by modern commercial fertilizers, help cows maintain this high productivity.

Potash, an important component of these fertilizers, enriches the soil, improves crop quality, builds resistance to disease and increases crop yield. United States Potash Company's high-grade muriate of potash has the highest K_2O content, and is free-flowing and non-caking—important advantages in the manufacture of fertilizers that help raise the production and quality of the nation's milk.

HIGRADE MURIATE OF POTASH 62/63% K_2O
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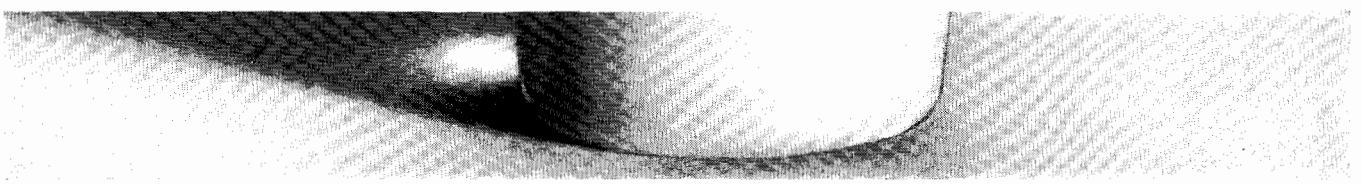

Research Newsletter . . .

Terphenyls Extend Life of Insecticides

Toxic life of organic phosphate insecticides can be appreciably extended by addition of chlorinated terphenyls. Research workers at USDA's Beltsville center report that in tests against houseflies and roaches DDVP is normally effective for about 2 days, addition of resin like chemicals to the organic phosphate **increases effectiveness against insects to about 60 days.** Most effective proportion for extending—1 part insecticide to 4 parts terphenyl.

Storm over Cloud Seeding

Speakers at recent Arid Lands Symposium in Albuquerque predicted that **cloud seeding may some day be conducted on hemisphere wide basis.** Cloud seeding theorists believe that normal rainmaking process involves cloud seeding by meteoric dust from outer space. Irving Langmiur, one of pioneer researchers on the subject, has criticized Armed Forces rainmaking research. Says he believes **heavy damages have resulted from cloud seeding,** cites hurricane which changed course after being seeded and struck Savannah, Ga. Did $5 million damage. Langmuir also blames military cloud seeding in New Mexico for Missouri Valley floods of 1951.

Pasteurized Meat

Radiation pasteurization of meat at the packing house could extend the refrigerated shelf life of meats up to 3 weeks according to L. E. Brownell, University of Michigan. Dr. Brownell, supervisor of the U-M Fission Products Laboratory, says a meat processing plant **capable of irradiating 14 tons of meat per hour** has been designed at the university. Possibility of prepacking meat at the packing house could **bring about a new method of wholesaling meat** he says. Pound of meat could be irradiated for about 1 mil.

Miller Introduces Food Additives Bill

Congressman Miller has introduced his long awaited food additives bill. Proposal includes food packaging materials in regulations. Bill separates food packaging materials from additives, previous measures lump packaging materials with additives. Manufacturer would file his scientific report of pretesting and safety with FDA, FDA would act on application within 120 days after it is presented. Legislation implies that if **FDA is opposed** to new additive, **it must bear burden of proof** to show why additive should not be used.

- CMU is rapidly absorbed and translocated throughout the leaf but more than half of the absorbed herbicide is still present in the leaf 12 days after application (**p. 400**)
- Aldrin and dieldrin do not cause any shortening of life or reduction of growth when fed to rats for two years at levels as high as 25 p.p.m. (**p. 402**)
- Identification of trichloroethylene oxidation products opens way to toxicity studies to find cause of anemia following feeding of TCE-extracted soybean meal (**p. 413**)
- Feeding of soybean meal treated with trichloroethylene oxidation products does not result in typical anemia in cattle (**p. 420**)
- Ethionine or methionine are toxic to chicks when either is added to complete diet; ethionine toxicity can be overcome by adding methionine, but ethionine addition has no effect on methionine toxicity (**p. 436**)