

Picked and threshed peanuts are used in the United States for edible products, for crushing, and for seed. A small quantity is fed to livestock on farms. Domestic disappearance during the 5-year period, 1950-54, averaged 1,495 million pounds (farmers' stock basis) per year. Of this quantity, domestic food uses accounted for 1,003 million pounds, or 67 percent; and crushing, 331 million pounds, or 22 percent.

Trends in consumption.⁴—From 50 to 75 percent of the domestic consumption of peanuts is represented by food products, chiefly peanut butter, candy, salted nuts, and roasted in the shell. The commercial food use of peanuts has increased steadily since 1920. Food consumption reached an all time high of 1,428 million pounds (farmers' stock basis) in 1944, which was about 3 times the 482 million pounds consumed in 1920 (see Table 33). Consumption of cleaned (roasted-in-the-shell) peanuts has been relatively constant since 1920. Use in peanut butter has more than doubled, and use in candy making and in salting has increased considerably. In recent years, makers of peanut butter have taken about half of the shelled nuts used in edible products. Use in candy and as salted nuts, each has taken about one-fourth of the total. These shifts in the proportions of peanuts going into the different uses have had an effect on the demand for peanuts grown in the various areas.

The civilian per capita consumption of peanuts for food uses reached an all-time high of 9.1 pounds (farmers' stock basis) in 1945 (see Table 33). This compared with 6 pounds in 1954 and 3.6 pounds in 1910. The large increase in per capita consumption during the war is believed to reflect mainly the substitution of peanut products for other foods in short supply such as butter, cheese, sandwich meats, jams and jellies, candy, and imported nuts.

TABLE 33.—DOMESTIC FOOD USE OF PEANUTS FOR THE UNITED STATES: 1910 TO 1954

[Farmers' stock basis]							
Year beginning Sept. 1	Domestic food use			Year beginning Sept. 1	Domestic food use		
	Milli- tary	Civil- ian	Civil- ian per capita		Milli- tary	Civil- ian	Civil- ian per capita
	Million pounds	Million pounds	Pounds		Million pounds	Million pounds	Pounds
1910.....		345	3.6	1945.....	14	1,243	9.1
1915.....		426	4.2	1946.....		1,036	7.2
1920.....		482	4.5	1947.....	3	951	6.5
1925.....		627	5.4	1948.....	6	914	6.2
1930.....		588	4.8	1949.....	7	892	5.9
1935.....		770	6.0	1950.....	14	947	6.2
1940.....		970	7.2	1951.....	10	991	6.4
1941.....	74	928	6.9	1952.....	10	1,008	6.4
1942.....	146	1,170	8.9	1953.....	10	1,034	6.5
1943.....	223	1,002	8.4	1954 ¹	9	984	6.0
1944.....	288	1,140	8.7				

¹ Preliminary figures.

Source: United States Department of Agriculture, Agricultural Marketing Service.

Since 1946, per capita consumption of peanuts has averaged slightly below the level of the 1936-41 period. Thus the long-time trend in increase in per capita consumption, which averaged approximately 1.9 ounces⁵ per year (farmers' stock basis) for the period 1920-41, has not been maintained since the war. The failure of the upward movement to continue suggests that the demand for edible peanuts has slackened off and the industry has passed the period of continued expansion, except that which may be due to the increase in total consumption resulting from increase in population.

⁴ For a more complete discussion of this subject see "Peanuts and Their Use for Food" by Banna, Antoine, Armore, Sidney J., and Foote, Richard J., United States Department of Agriculture Publications, Marketing Research Report No. 16, 1952.

⁵ Freund, Rudolf, "What is Wrong With the Peanut Market," unpublished manuscript, North Carolina Agricultural Experiment Station.

⁶ Downing, James C., Council, James C., and Grigsby, S. Earl, "Balancing Labor and Land Resources for Wartime Production," FM39, United States Department of Agriculture, Bureau of Agriculture Economics, January 1943.

⁷ If the quantity left in the ground was 130 to 150 pounds, each pound of gain would require 2.9 pounds of peanuts.

⁸ Unpublished data, Florida Agricultural Experiment Station.

The per capita expenditures for peanut products used in homes tend to increase as income increases. But based on analysis for 1920-40 and 1946-50, the demand for both cleaned and shelled peanuts at the wholesale level is relatively inelastic.⁴ A 1-percent change in the wholesale price, on the average, has been associated with a change of 0.3 percent in the opposite direction in per capita consumption of cleaned peanuts and 0.4 to 0.5 percent in per capita consumption of shelled peanuts. A 1-percent change in disposable income, on the average, resulted in a change of 0.6 percent in the same direction in per capita consumption of cleaned peanuts and 0.4 to 0.6 percent in that of shelled nuts.

Crushing for oil.—Very few peanuts were crushed for oil before World War I. In 1916, however, there was an estimated crush of about 177 million pounds (farmers' stock basis) and the quantity rose to 441 million pounds in the 1918-19 crop year. Very few peanuts were crushed between 1919 and 1934. Beginning with 1934, Government programs were instituted which encouraged the use of peanuts for crushing and substantial quantities were so used. The peak before World War II was reached in 1940 when 601 million pounds were crushed; the all-time high came in 1950-54 when 642 million pounds.

Before Government programs were begun, the quantity of peanuts crushed depended upon the quality of the crop and the relative profitability of shelling and crushing. Each year, a few low-grade farmers' stock peanuts and a small percentage of the kernels, from shelling operations, that were not suitable for food uses, were crushed. Beginning in August 1947 and continuing to the 1951 crop, the Commodity Credit Corporation was permitted to buy surplus production largely in the form of No. 2 grade shelled peanuts, rather than as farmers' stock peanuts. This resulted in a substantial increase in the crushing of farmers' stock peanuts.

Feed, seed, farm loss, and shrinkage.—Of the total supply of peanuts picked and threshed, feed, seed, farm loss and shrinkage account for only about 10 percent of the disposition each year. This means that on farms where peanuts are grown, very few nuts that are picked and threshed are fed directly to livestock. However, not included in the statistics on disposition is the amount of peanuts eaten by the hogs that are run on peanut fields after the nuts are harvested and, also, the amount of peanuts hogs eat in fields that are hogged off.

Many Runner peanuts usually are left in the ground after digging. It has been estimated that in many instances there are enough peanuts to produce 50 pounds⁶ of pork to the acre from gleanings.⁷ There is no estimate on the acreage of peanuts gleaned each year, but, if the amount were only as much as 400,000 acres, this would be enough peanuts to produce 20 million pounds of pork.

The amount of pork produced per acre on peanuts that are hogged off varies depending on the yield per acre, the condition of the peanut crop, and whether or not the hogs have access to a mineral mixture and are fed protein supplements. Experiments in Florida by Pace and Glasscock showed that hogs which received a complete mineral mixture produced 466 pounds of pork per acre of peanuts grazed, while those grazing peanuts alone and not receiving a mineral mixture produced only 258 pounds of pork per acre.⁸ For the 5-year period 1951-55, the amount of peanuts grown in the southeastern section and not picked and threshed averaged 378,000 acres per year. If this amount was hogged off and the amount of pork produced per acre was only 200 pounds, this would be enough feed to produce 75,600,000 pounds of pork.