CHAPTER II

FOOD ADMINISTRATION

The solution is food conservation; or, better, food administration. For food conservation, as a term, is sometimes used to denote only that part of the general organization, control and economical use of food which is chiefly indicated by the last phrase; that is, the general technic and details of the economic use, preservation, substitution, etc., of food in the household, public eating places and retail shops. The situation involves, however, much more than this food conservation, sensu strictu. It demands a food conservation of the broadest sort, involving administrative, educational, co-operative, compelled and voluntary activities of wide diversity and application; in a word, on an intelligent, organized, vigorous food administration. Or, as it may now be written, Food Administration.

For the people of this country have called for an organized food control, just as the people of Italy, France and England each successively saw the necessity, called for and were given it — and the people in Germany were given it without calling
for it. Almost certainly none of these peoples could have maintained itself in the war without governmental food control. And so our people have got, as hoped-for solution of their problem, a United States Food Administration. What is it? What may it do? What can it do? What is it doing?

On August 8th of this year, just four months after our entrance into the war, Congress passed the "food control bill" introduced in the House on June 11th. The delay in passage of the bill was chiefly due to a reluctant Senate. On August 10th President Wilson signed the bill, and on the same day appointed Herbert Hoover to be his representative as head of the Food Administration with the title of Food Administrator. England's food head, at present Lord Rhondda, is officially entitled Food Controller; France's administrator, M. Violette, is called Ministre du Ravitaillement; Italy's, Onererole G. Canepa, is known as Commissario Approvvigionemente. On August 12th Mr. Hoover formally announced the policy and general plans of the Food Administration.

It should be interesting and profitable to present here a brief analytical summary of the bill.

Congressman Lever, chairman of the House Agricultural Committee, in introducing the bill, described its intent as follows:

"It aims to facilitate and clear the channels of
distribution to prevent hoarding; to prevent wilful destruction of necessaries in order to enhance the prices or restrict the supply thereof; to eliminate injurious speculation; to regulate exchanges and boards of trade in order to prohibit undue fluctuation of prices, unjust market manipulation, or unfair or misleading market quotations; to reduce waste, including the power to regulate or completely to prohibit the use of cereals in the manufacture of alcoholic beverages; and to stimulate production by securing the farmer a reasonable profit guaranteed by the government, and a free and open market for his products, unrestricted by manipulation and uncontrolled by gambling operations."

The act authorizes a governmental control over the supply, distribution and movement of all food, feeds and fuels, and all machinery, implements and equipment required for their actual production. Any agency necessary to carry out their control may be created; any existing department or agency of the government may be used.

All destruction of food or fuel for the purpose of enhancing prices is prohibited; all wilful waste, all hoarding, all monopolization, all discrimination, and unfair practices, all unjust charges in handling and dealing in food and fuel, and all combining to restrict the production, supply or distribution are made unlawful.
All manufacture, importation, storage and distribution can be carried on only by license when the President shall deem it essential to institute such licensing. Exception to the license requirements is made in favour of farmers, co-operative associations dealing with products produced by their members, and retail dealers whose business is less than $100,000 a year.

Food, feeds and fuel necessary for the army, navy and public service may be requisitioned. Hoarded supplies may be seized, sold and distributed. The government may purchase, store and sell at reasonable prices, wheat, flour, meal, beans and potatoes. Factories, packing houses, pipe lines and fuel mines may be taken over and operated by the government for any time necessary to secure adequate supplies for the public service.

Regulations may be issued to prevent speculation, manipulation, enhancement, depression or fluctuation of prices, and to control the operation of exchanges, boards of trade, and similar organizations dealing in food, feeds and fuel.

For the purpose of stimulating production the government may guarantee for a period of not longer than eighteen months a price which will insure the producer a reasonable profit. The price of the 1918 crop of No. 1 Northern Spring wheat is fixed at two dollars per bushel at principal interior
markets. The importation tariff on food, feeds and fuel may be increased if considered necessary to prevent undue importation from other countries.

No foods or feeds shall be used for the production of distilled spirits for beverages. No distilled spirits may be imported. All distilled spirits in bond or stock are commandeered and any of these stocks may be re-distilled to meet the requirements of the government in the manufacture of munitions and military and hospital supplies.

Particular powers are given in regard to the production and dealing in coal and coke. Prices may be fixed. If these prices are not conformed with, the mine or plant and business of the offending producer may be taken over. If deemed necessary the producer of coal and coke may be required to sell solely to the government, and the government may act as the sole dealer in the resale of the supplies. The government is authorized to purchase nitrate of soda to increase agricultural production in 1917 and 1918 and sell this fertilizer for cash.

In all cases where a commodity or operating plant is requisitioned just compensation is to be made.

Appropriations are made to carry on the business operations authorized in the act, and for the special purchase of nitrate of soda, and for the general expense of the Food Administration.

The statutory powers of the Food Administra-
tion seem, at first examination, to be all that are needed. Their enumeration answers the query: what *may* be done. What *can* be done is, of course, another matter. The Food Administration *may* stimulate production; can it? It *may* prevent all hoarding, manipulation and profiteering; again, *can* it? The answer does not depend on the Food Administrator alone. It depends much more, indeed, on the people of the country. We are patriots enough to stand up with the right music; to float the flag; and to yell when the soldiers go by. We are even patriots enough to offer our lives to our country. Are we patriots enough to stand without flinching when our pockets and appetites are touched? We shall see.

The Food Administration has made a vigorous beginning. The long, vexing, injuring delay in the passage of the bill was not all lost time. The Food Administrator (to be) was getting a good ready. He made the beginnings of his volunteer organization; he found temporary quarters, beginning with three rooms in a Washington hotel, and moving about with his growing staff as eviction followed eviction from other temporarily loaned resting places. The day after the bill was signed things began to happen officially; their beginnings had already been made unofficially.

As wheat — always to be thought of in terms of
bread — is of first importance, so its consideration came first on the program. At this writing, one month after the passage of the bill, a "fair price" of $2.20 a bushel has been fixed for this year's crop by a committee selected by the President, composed of producers, wheat handlers, consumers and representatives of labour. Congress had already fixed by the terms of the Bill a price of two dollars per bushel for the crop of 1918. It was therefore necessary that a price not less than that be fixed for this year's crop in order to prevent hoarding of the 1917 wheat until next year.

A great Food Administration Grain Corporation and a Food Administration Milling Division have been formed to control the handling, purchase, sale, distribution and export of wheat and flour. As a first and immediate result of the work of these two co-operating bodies of the Food Administration, flour is today being sold to the consumer at three dollars a barrel less than it was before their organization, and the producer is getting an increase of price for his wheat equivalent to three dollars a barrel as interpreted in flour. That is, a middleman profiteering of six dollars a barrel has been wiped out.

Licenses are required (as from September 1) from all operators of elevators and all millers operating mills of over one hundred barrels daily ca-
pacity. The first regulations put into effect under this licensing system were the requirement of fair trade practices, and that no wheat or rye should be stored in elevators for any one except the Food Administration for more than thirty days. Also no mill may sell flour for shipment farther ahead than thirty days, nor may any mill, except by special permission, accumulate or own more than the equivalent, in wheat and flour, of its output of thirty days. The object of specific regulation is to prevent the public facilities for grain marketing to be used for hoarding or storing for an advance.

In the hands of the Grain Corporation is lodged by agreement with the Allies all the export buying for them. The buying for neutrals is also controlled because export licenses can only be had with the approval of the Grain Corporation.

The whole, and the only, purpose of the power and activities of the Grain Corporation and the Milling Division is to conserve as effectively as possible the wheat supply of this country for the use primarily of ourselves and Allies. It is intended that the American mills should handle a larger part of the wheat than before so as to retain the grain offal (mill feed) for our dairy cattle, and also reduce the milling cost per barrel of flour by virtue of the enlarged production. The miller will be defi-
nitably controlled as to the amount of profit per barrel which he can make.

That this is all well understood and agreed to by the grain men and millers of the country is shown by the passage of the following resolution by a large group of grain men representing all phases of the industry after a conference with Mr. Hoover and other representatives of the Food Administration in Washington, on August 15.

Realizing that the operation of Government control in wheat and rye is essential under present war influences in order to adequately protect our home supply and furnish our Allies with the aid we owe, and realizing that the establishment of an efficient government plan of operation means to all of us curtailment of our business and to some of us actual retirement from active business during such period, we do express our pride in the character of service tendered by the grain trade in the sacrifice by these men of ability who are placing their experience and energy at the service of their Government, and that we approve the general plan of operation as explained to us today as being sound, workable and necessary, and in its general lines it appears to us as being the most efficient and just plan of operation which we can conceive.

The great mass of the people in this country will be interested primarily in the Food Administration's work on wheat and flour from the point of view of buyers and consumers of bread. Can bread be made cheaper without being made less nutritious and palatable? The Food Administration is giving
much time and energy to the bread situation. It has a special division, manned by a group of business men and food experts, which is giving its whole attention to the problem of cheaper bread. A careful study of the methods of commercial and home baking is being made.

The first result of an investigation of thirty bakeries in or near New York, Philadelphia, Washington and Chicago revealed a surprising variation in several items of costs in commercial bread-making and distribution. This study shows clearly that those bakeries which have standardized their product and deliver in large quantities only once a day are making bread and distributing it at from one to two cents a pound cheaper than those bakeries that make many kinds and sizes of wheat bread and deliver in small quantities several times a day.

The investigation is being extended to about 250 bakeries scattered all over the country, but it is already plain that one of the important factors in any reduction of the price of bread is that of simplification of baking and economy of delivery. And the Food Administration is hard at work with the commercial bakers of the country trying to effect arrangements to this end. It has engaged the assistance of the "chain stores," and is well on the way to seeing a cheaper standard loaf put on the market for those who are willing to pay cash and carry the
bread home for the sake of a material saving of money.

Another staple which has had the immediate attention of the Food Administration with swift and positive results in the way of control and price reduction, is sugar. The control of sugar presents a problem fundamentally different from that presented by almost any other commodity because of the fact that about fifty per cent of the sugar we use is imported. In fact the New York price of sugar is based primarily on the conditions of the Cuban supply. It is the intention of the Food Administration to try to arrange a voluntary agreement with the Cuban government and planters to fix a price for Cuban sugar in New York that will be satisfactory to the Cuban growers and at the same time insure a fair price for the consumers of this country. There is every reason to believe that such an arrangement can be effected.

In the meantime a satisfactory agreement has been reached between the Food Administration and the sugar beet growers of America—representatives of all the beet producers of the country participating in this arrangement by voluntary agreement—by which the sale and distribution of the entire beet sugar production of the United States are placed in the hands of the Food Administration. As a result, all the beet sugar of the country is to
be sold at a price not to exceed 7¼ cents a pound, cane basis, at sea-board refining points. The price was 9.15 cents but a short time before the arrangement was made.

To control the distribution and effect a fair division of the sugar from America and its possessions and from Cuba and the West Indies, an International Sugar Committee representing the Allied governments and the United States has been formed which will have in its hands entire charge of the purchase and distribution of all sugar for this and the Allied countries. Three of the five members of this committee are Americans, one of whom represents the Food Administration, and they will act as a sub-committee to handle and decide purely domestic questions with which the Allied members are not concerned. A special committee representing the American refiners has also been formed to co-operate with the International Committee in the distribution of that part of the imported sugar that comes to the refineries in the United States.

The control of the meats and fats situation is under way of organization, but any statements regarding the course of the negotiations would be premature at time of this writing (September). Many conferences have been held in Washington between officials of the Food Administration and representatives of the live-stock growers and the
packers, and carefully elaborated plans are under present consideration. The situation is a more complex one than that of sugar or even of wheat, but some sort of early solution is necessary and will be effected.

Besides the special divisions of the Food Administration already referred to giving their whole attention to the staples, grain, meats and sugar, there are well-developed working divisions, headed and largely staffed by volunteers,—as are the grain, meat and sugar divisions,—devoting their attention to wholesale groceries and their distribution; to fish, to canned goods, to potatoes, to dairy products, and to fresh fruit and vegetables.

All of these are struggling with the general problems of monopolization, hoarding, injurious speculation and manipulation, and distribution, and in addition each has its own particular problems peculiar to the special commodities and trade in its purview. In all cases the work is moving forward on the basis of a large degree of co-operation and voluntary agreement on the part of the trade interested. Literally scores of conferences have been held between representatives of the Food Administration and representatives of the trades, and a steady advance toward the desired ends of the Administration and the advantage of the people as a whole in their great war undertaking has been, and is being, made.
The two cardinal principles guiding all this work and that are being urged on the producers, traders and consumers alike are *economy* and *service*, to the end that the foodstuffs of the land may be distributed as equitably as possible and at the lowest prices consistent with justice to all concerned. The war—and it is a relentless war—that the Food Administration is carrying on in its work with the handlers of food is against manipulation and speculation, against all forms of "profiteering." It is a war for the protection of the consumer. At the same time the Food Administration is trying to extend favour and aid to producers along all lines leading to stimulation of production. These include all effort possible for the determination and maintenance of fair prices for the produce of farm, garden, orchard and factory, and the establishment of a regular and stable market.

There are necessarily other divisions of the Food Administration besides the ones devoted to special commodities. There is a statistical division, a legal division, a transportation division, a division of food use and scientific research in food values, a division of labour, and one of imports, exports and embargo, acting in close connection with the Departments of Agriculture, Commerce and State, with a firm grip already on the spiny problem of export to European neutrals with its serious corol-
lary of—let us put it bluntly—export to Germany.

There is a states organization division connecting directly with a federal food administration in each state, directly representing the Food Administration. Through these state administrators, who are men of demonstrated ability, high standing and influence in their respective states, all serving as volunteers without compensation for the duration of the war, there is being developed co-operation and effective team work between the central administration at Washington and the work in each state with the special food problems peculiar to each region. These state administrators come to Washington repeatedly to report and confer, and representatives from the states organization division go out to the various states, so that close touch may be maintained with conditions all over the country.

Finally there is a large and driving division of food conservation, *sensu strictu*.

It is this department that connects the Food Administration immediately with all of the people. We are all consumers, and food conservation, in its special sense, concerns itself primarily with food consumption. The primary object of this special part of the food conservation campaign is to bring about an intelligent voluntary rearrangement of the eating habits of our hundred million people so that
the particular foodstuffs most needed by the Allies can be accumulated. This has to be done in the face of a normal surplus—which has to be made larger—and by a people long accustomed to a food use limited chiefly only by its cost.

To do this it is first necessary to convince our people that food is a decisive factor in the war, that the strength of our Allies can only be maintained by a food provision meeting their minimum necessity, and that it is our duty and opportunity in this war to insure this food supply. Food conservation becomes, then, a patriotic service.

Next, it is necessary to point out how each household and public eating-place, and how each individual consumer can really act so as to conserve food. The details and special efforts centre about three principal general propositions: the elimination of waste, the substitution of certain foods for others, as corn for wheat, poultry for meat, etc., and, finally, an actual lessening of unnecessary consumption. To instruct and enlist the nation the already organized forces of the people are brought into play. The special help of community centres and state organizations, of the public school teachers, the churches, the fraternal orders and patriotic societies, has been enlisted.

The participation of the churches in the work, in particular, is already highly developed. Officially
appointed representatives, including some of the most prominent men in each of the denominations, have met with the Food Administrator and his staff in Washington, and after coming to a clear understanding of the situation have tendered the largest service of their organizations. Eighteen men representing fifteen denominations are continuously in Washington with offices in the Food Administration buildings giving their whole time to the great campaign of food conservation appeal and education among the forty million church members officially represented by them. It is a fine exhibition of the patriotism and practical possibilities of the American churches when appealed to for national service.

No less important, the active co-operation of the women of the country has been obtained. Representatives of all the great national organizations of women have come to Washington for repeated conferences. A general agreement and plan for cooperation has been arrived at, and a splendid volunteer staff of women representing various special interests and activities is giving devoted service to the work in the Washington offices of the Food Administration.

A national lecture bureau has been organized, as have also numerous State bureaus. Work in home economics is being conducted by experts. Simple primers and text books and lecture course syllabi
for the public schools and colleges have been prepared and issued. Cards specifying the particular measures most available and effective for food-saving and wise food use in the homes and public eating-places are being sent broadcast, and pledges to observe these suggestions are being signed by millions of households, hotel, restaurant, dining-car and club managers, and individual consumers.

These pledge signers are enrolled as members of the Food Administration, and receive cards of membership which they are asked to display in their windows, so as to announce their patriotic undertaking and thus serve as a good example to others.

The results of this great campaign are already obvious. An actual food-saving, a food conservation, is being effected. This is shown concretely by interesting statistics recently collected from sixty cities that reveal a lessening of the garbage collections by about 12 per cent, as compared with those of last year. Quite as important, a psychological effect is being produced. Food conservation is making the war real; it is inspiring patriotism. It offers the opportunity for universal service in a great national endeavour; and it is creating this service. Incidentally, it may mean much for the years after the war; we may get the food-saving habit — and the habit of patriotism.

Another phase of food administration is that of
the stimulation of production. Under the provisions of the so-called "food survey bill," signed on August 10, the Secretary of Agriculture is authorized to investigate in detail the actual food situation in the country and to employ a variety of special measures, such as special furnishing of seed, demonstrations, and enlarged efforts at education for increasing the food production. This work does not come under the immediate control of Mr. Hoover's organization, but it is a matter in which the Food Administration is vitally interested, and in which it will take every opportunity to assist and to co-operate with the Agricultural Department. There has already been a notable response of the people to the call for increased production, evidenced by the two million or more new back-yard and vacant-lot gardens planted this summer. And there is plain promise of increased acreage for the 1918 crop of grain. The guaranteed minimum price to the farmers of $2.00 a bushel for the wheat of the 1918 crop, fixed by the food control bill — and this whether the war ends before the harvest with the consequent tumbling in price all over the world, or whether it does not — leads experts to estimate that our wheat crop of next year will reach a billion bushels, weather conditions permitting.