

GOVERNMENT

FOOD

RESERVES

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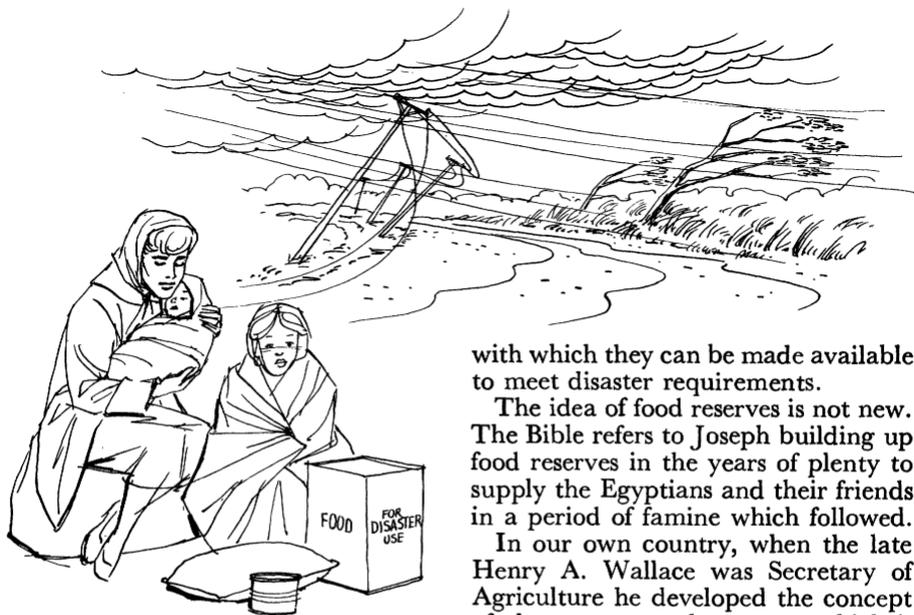
IN nearly every major disaster the Federal Government uses its food reserves to assist local disaster organizations in emergency feeding of disaster victims and workers.

A major share of the foods used for emergency feeding comes from stocks supplied by the U.S. Department of Agriculture.

Plans in case of war likewise assume that food supplied by the Agriculture Department would be used to meet a part of the emergency needs.

AN EXAMPLE OF emergency use of Government food reserves was Hurricane Betsy in September 1965. About 4.9 million pounds of Department-supplied food was used to feed over 318,000 people at temporary shelters in 105 schools and public buildings. This was supplemented with food supplies provided by the military, by the Red Cross, and others.

One advantage of having Government-owned food reserves is the speed



with which they can be made available to meet disaster requirements.

The idea of food reserves is not new. The Bible refers to Joseph building up food reserves in the years of plenty to supply the Egyptians and their friends in a period of famine which followed.

In our own country, when the late Henry A. Wallace was Secretary of Agriculture he developed the concept of the ever-normal granary, which is the basis for our present price support programs for food and other agricultural products.

Reserves built up during the late 1930's provided a valuable stock of

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food to provide aid to our friends and allies during World War II.

THE VALUE of Government food reserves to assist needy people has received increasingly greater recognition in recent years.

The first Executive order issued by President Kennedy was to augment the distribution of Government-owned foods to needy people in this country. The Food for Peace program was designed to use our food abundance for assistance to needy people in other parts of the world.

IN TIMES OF WAR, Government food supplies have been used to feed our own Armed Forces and the armed forces of our allies, as well as to supplement food supplies in war-damaged and occupied areas.

Food is vital both from a humanitarian standpoint and to help maintain health and order in occupied areas.

Following major wars, food has been a major item in aid and assistance programs. When we have had Government food reserves, these have been used, reducing pressures on the already expanding economy.

If no Government food reserves are available, unusual demands require special production programs to get the needed commodities. It has proved difficult to readjust food production downward once these war-generated demands have been met.

Many people have the impression that the Federal Government owns huge stocks of food of all types.

But compared to commercial food stocks, Government-owned foods are relatively limited, both in terms of quantity and of variety.

The term "Government Food Reserves" as used in this article includes the following types of foods owned by the Federal Government: (1) Foods procured specifically for use in public institutions and welfare programs, (2) civil defense shelter stocks, and (3) inventories acquired as a result of price support operations of the Agriculture Department.

Food for use in public institutions and welfare programs includes that purchased for the school lunch program, food supplies of the military and other Government agencies for their own use, and food for distribution to needy people.

FOOD FOR schools and welfare distribution is provided by the Agriculture Department to State agencies for distribution. Over 2 billion pounds are distributed annually.

At any one time, inventories in the hands of the distribution agency, the schools, or in the Department's warehouses and in transit probably average at least a 2- or 3-month supply for the purpose that was intended.

FOOD STOCKS owned by the military, by the Veterans' Administration and other Federal agencies are for their own use.

Only limited amounts can be diverted from these stocks for other uses. Efforts are made to hold inventories to the minimum needed.

Civil defense shelter supplies include about 318 million pounds of biscuits or crackers plus a small quantity of carbohydrate supplements. These stocks are packaged in cans to provide a long shelf life and protection from contamination. Thus they are intended only as a survival ration and are not available for other purposes.

INVENTORIES of foods acquired as a result of the Agriculture Department price support operations vary widely, depending upon the season and upon crop conditions.

In September 1965 they included over 70 million pounds of butter, around 3 million pounds of cheese, some 201 million pounds of dry milk, and nearly 3 million pounds of dry beans, over 3 million pounds of peanuts and peanut butter, and 1.8 million pounds of honey.

Supplies of grain included about half a billion bushels of wheat and a billion bushels of feed grains.

While these Government food re-

serves seem large in terms of total pounds, they represent only a few pounds per person. Except for grains, they are also relatively small when compared with commercial food stocks maintained by food processors and by distributors.

But even Government and commercial stocks combined cannot be considered a substitute for continued new production and the distribution of food from the farm through the normal commercial channels to the ultimate consumer.

A MAJOR PART of food made available by the Department of Agriculture to schools and needy families is acquired as a result of price support and through removal of surplusage from the marketplace. Quantities may vary markedly within the year.

These stocks consist only of foods in surplus supply since, by law, price support stocks must be sold whenever a buyer offers the support price plus certain carrying charges.

Food available as a result of price support programs usually includes wheat, corn, and other grains in unprocessed form which are often kept in storage in the production areas.

This food can be processed into cereals, flour, or other items usable in an emergency. But it takes time, and in disasters the immediate need is obviously for ready-to-use food.

Therefore, these grains serve primarily as backup reserves to assure adequate food for a considerable period after an emergency.

Following natural disasters like floods, Government stocks of feed grains are sometimes made available to farmers at reduced prices or donated, to keep livestock alive until local feed supplies are again available.

SOME FOODS acquired as a result of price support operations are in a form readily available and suitable for immediate use in case of a disaster. They include butter, dry milk, cheese, and dry beans. These items can quickly be shipped to the disaster areas either for



Tornado victims eat Palm Sunday dinner in a firehouse at Dunlap, Ind., with food made available by USDA.

use in group feeding operations or for distribution to families.

Generally there are quantities of some or all of these foods in the "pipelines" en route to or in schools or welfare distribution centers. Immediate disaster needs are usually met from the nearest source with the Agriculture Department arranging for resupply from more distant points.

ANOTHER immediate source of foods for disaster use is Commodity Credit Corporation (CCC) price support stocks which have been processed into forms ready for school use or distribution to needy families. Examples are wheat, flour and other cereal products, peanut butter, milled rice, and vegetable oil products.

Processing contracts provide for most of these items to be shipped directly by the processor to a State-operated warehouse from which they move to the school or welfare distribution center. Usually, however, supplies en route from the processor can be reconsigned to meet emergency or disaster feeding needs. In other cases, the supplies are "borrowed" from already donated stocks with the promise to replace them subsequently.

IN CASE OF DISASTER the Agriculture Department also makes available foods it purchases for other purposes.

Funds are provided under section 32 of Public Law 320 of the 74th Congress so the Department can purchase foods to encourage an increased domestic consumption. The authorizing legislation says these funds must be devoted principally to perishable items that are not under price support.

THESE FUNDS are used to purchase foods like fruit, vegetables, meat, and powdered eggs. The funds can also be employed for processing and moving the foods to where they can be used.

The foods can be donated for relief purposes, including emergency feeding in disaster areas. They supplement food provided out of CCC stocks and are generally distributed through the very same outlets.

Inventories of foods purchased by the Government as a part of this program are generally only those in transit to school and welfare outlets and small supplies awaiting movement. Consequently, in natural disasters and other emergencies the Agriculture Department relies upon diverting foods already in the school or welfare stocks or that are in transit, and replaces them when new purchases are made.

ANOTHER SOURCE of Government-provided foods that can be used to relieve effects of a disaster are those purchased specifically for the school lunch program, under section 6 of the National School Lunch Act.

Unlike foods procured by CCC or with section 32 funds, school lunch foods cannot be donated for relief purposes without reimbursement or replacement. But although the foods must be replaced, their location in schools where disaster groups can be fed may simplify the operation.

AGRICULTURE DEPARTMENT agreements with State agencies responsible for distributing donated foods to schools, welfare recipients, and other eligible outlets contain an authorization for making the foods available for use in disasters. No special authorization is needed after a disaster. The

foods are available immediately to local governments where group feeding becomes necessary.

FOOD FOR PEACE includes several types of programs to provide food to other nations, both for relief following natural disasters and to supplement food production within these nations. The programs include distribution by voluntary agencies, donations to nations, and various sales arrangements.

Food for these programs comes from purchases out of commercial stocks and in large part from stocks acquired by the Agriculture Department as a result of its price support operations.

GOVERNMENT FOOD INVENTORIES are useful in emergency feeding operations but they cannot be relied on as the only source of food.

Such inventories in all areas are limited in total amount since they normally supply only a small part of the total population. Also, they usually include only a few items—not the full complement required for emergency feeding purposes.

Government stocks never include bread, coffee, salt, other seasonings, or sugar. Items highly desirable for emergency feeding like canned pork and beans, soup mixes, and jellies are seldom if ever in inventories.

As a result, the emergency feeding groups must supplement the supplies made available from Agriculture Department-donated stocks with other foods—from regular commercial stocks or in some cases through the feeding of refugees by the military with its own food supplies.

Food stocks acquired through price support are owned and managed by the Commodity Credit Corporation, fiscal agent of the Agriculture Department for national farm commodity programs.

Its grain stocks are stored in more than 10,000 private warehouses, most of them in areas where the grains are produced.

Rice is stored in over 200 privately owned storage facilities.

CCC uses approximately 400 dry and cold storage installations for storing processed foods.

It also stores wheat and feed grains in Government-owned storage bins in the major production areas.

With CCC inventories in so many places, the chances are relatively small that any large part of CCC stocks would be damaged by a disaster.

Even in case of an attack upon this country, dispersion reduces the probable degree of loss and helps in assuring that supplies will be available where needed following the attack.

Most CCC stocks are in structures which provide relatively good protection from radioactive fallout and from other threats of contamination.

In managing CCC stocks, defense needs are a consideration in deciding where food will be stored. However, to keep costs at a minimum, stocks generally are held where acquired until they can be marketed. This results in most food items being stored in production areas rather than close to the major population centers.

IN MANY DISASTERS, the Department of Defense is requested to help local authorities relieve suffering and care for refugees. This often includes feeding people by making use of military food supplies.

In case of war, Defense Department arrangements authorize that military support include food for local civil defense when this is possible without significantly affecting defense operations themselves.

Diversions of military food stocks immediately following a disaster are useful in meeting immediate need but the stocks must be replaced later.

USE OF specially packaged military rations has the disadvantage of being an expensive food source for meeting emergency requirements, and is discouraged if other sources are available.

Military food stocks are generally located at military bases and supply depots but some are kept in commercial storage facilities.

ANOTHER FOOD SOURCE for a defense emergency is the shelter rations the Office of Civil Defense (OCD) has purchased and stocked.

Most of these rations are in shelter areas in large buildings or in OCD warehouses.

They consist primarily of enriched crackers or wafers and are intended as only a subsistence diet while people have to remain in fallout shelters.

PRESIDENT JOHNSON has recognized the need for Government-owned food reserves.

His February 4, 1965, agricultural message included the following about Government reserve stocks:

"It is time to consider our requirements for agricultural commodities in a reserve for national security, for emergency relief purposes, and for domestic economic stabilization.

"The President should be authorized to determine the levels of commodity stocks required and to take actions to insulate these stocks from the market so that they might be preserved for time of emergencies."

The need for legislation authorizing "national security reserves" of foods, feeds, and fibers was stressed in the 1964 report of the National Agricultural Advisory Commission.

The report said Government-owned stocks were needed for use in defense and natural disaster emergencies, to provide commodity price stabilization, and to meet international food problems. The Commission pointed out the advantages of reserves for consumer welfare.

One of the Commission's "goals for farm policy" was to assure "an abundant supply of quality food and other farm products at reasonable prices." And its recommendations included the following:

"The availability of large stocks of several farm products acquired under farm programs of the past has delayed proper attention to the question of reserve supplies needed for national security, assistance to allies abroad, and stability in the domestic economy.

“There is urgent need for a determination of the reserve stocks that should be on hand and for policy decisions regarding their management. . . . Here we wish to call attention to the question and to urge that the need for reserve stocks and the costs of providing them be explicitly recognized.”

BECAUSE OF THE IMPORTANCE of food in all types of emergencies, there have been many proposals for building up Government food reserves. In part, these proposals reflect the major reductions which have taken place in “surplus” stocks that are held by the Agriculture Department.

At the 1965 National Outlook Conference, Secretary Freeman said it would be the Department’s policy “to maintain adequate reserves of food and fiber, as opposed to unneeded surpluses, to respond to any need at home or abroad, and we will preserve the capacity to expand production substantially.”

He also indicated the desire to use Government-owned food supplies “as an instrument of American foreign policy and humanitarianism. . . .”

PRIMARY DETERRENDS to establishing reserves are their high cost of acquisition and maintenance and the need for frequent rotation or replacement. For the domestic population, a week’s supply of food providing a balanced diet, and packaged to withstand a year or more of storage life, would probably cost well above a billion dollars.

Rotation of such a food stockpile presents unending problems, since there are no easy ways to sell and use many items needed in the stockpile so that they could be replaced with new production.

Even the best packaged foods must be replaced from time to time to assure that quality is maintained. Special packaging can lengthen shelf life but it also increases costs.

The need for special Government food stockpiles for use in emergencies and to stabilize prices is also debated.

Advocates of stockpiles say a nuclear attack would fragment our country and make interarea movement of food difficult or impossible.

They also contend that fallout could seriously limit agricultural production following an attack.

Opponents say a nuclear attack would probably reduce our population far more than our food production. They doubt that transportation would be so disrupted as to drastically reduce shipments of food.

They also cite the food stocks in commercial trade channels and homes and their availability to meet food needs until shipments could be resumed.

HOME FOOD RESERVES vary from little or nothing to supplies sufficient for months, but probably average at least enough for a week, though not necessarily with the normal variety and balance.

Retail store inventories vary, even within the week and among items. But in terms of dollar value they average a 1 to 2 weeks’ supply for their usual clients. In addition there are large quantities of food in commercial storage and in processing plants.

In total, all the stocks of ready-to-use foods probably equal over 2 months’ supply at normal rates of use. These are replaced by daily processing and by deliveries from farms.

ABOUT TWO-FIFTHS of our foods are continuously produced items like meat, eggs, milk, and flour.

Government wheat stocks assure continued supplies for millers, even in case of a poor crop or of unusual world demand. Government supplies of feed grains likewise assure adequate feed for production of meat, eggs, milk, and other livestock and poultry products. Relatively smaller Government-owned stocks of other foods like dairy products, dry beans, rice, and peanuts help to assure supplies required for an orderly flow through distribution channels and to meet some of the unusual needs for food—as when a disaster strikes.