The President
White House

Dear Mr. President:

The attached brief statement of the work of your
Reserve Emergency Committee is a summary of the
#48 report made to you by the chairman of the Com-
mittee. It may be useful in providing a back-
ground of experience for this year’s activities.

Sincerely yours,

[Signature]

Secretary

Attachment

See note attached. E.A.

x 174
Please find in the letter being...
M. Hopkins:

This was in your folder.
At 9 A.M. I marked file date on it — but it was not marked "file".
Want to be sure it is ready for file.
On January 1, 1946, our stocks of wheat in all positions totaled on 690 million bushels, even though we had started out the marketing year with a supply of 1,389 million bushels. With domestic consumption at the high rate of 87 million bushels per month, it was apparent that, unless the brakes were put on consumption at home, this country would never be able to meet its foreign commitments.

Your statement of February 6, 1946, called attention to the gravity of the famine situation abroad and laid down certain measures to be followed here. As you will recall, you asked for (1) cooperation of the public in conserving food, especially bread; (2) a prohibition on the use of wheat for the direct production of alcohol and beer; (3) a lifting of the extraction rate on wheat flour from about 72 percent to 80 percent; (4) a control of millers' inventories of wheat and bakers' and distributors' inventories of flour; (5) preference to rail movement of wheat, corn, meat, and other foods; (6) control by the Department of Agriculture over exports of wheat and flour; (7) steps to export specified quantities of fats and oils and meat, and to increase exports of dairy products; (8) release of surplus ships to expedite the movement of Philippine copra; and (9) a greater shift in the use of grain for animal feed to use as human food.

The Department of Agriculture and other agencies affected promptly issued the proper orders to make effective your requests.

Appointment of the Famine Emergency Committee

Shortly after the issuance of your statement of February 6 you appointed a Famine Emergency Committee to (1) help bring about as much voluntary conservation of food by the American people as was possible, and (2) to cre...
a "moral climate" that would permit the Government to institute even more drastic controls, if needed, than were outlined in your statement of February 6.

Ex-President Herbert Hoover accepted the position of Honorary Chairman of the Famine Emergency Committee. Chester C. Davis, president of the Federal Reserve Bank of St. Louis, agreed to serve as Chairman. Others on this 13-member committee included Eugene Meyer, editor and publisher of the Washington Post; Dr. William I. Myers, Dean of Agriculture, Cornell University; James W. Young, of the J. Walter Thompson advertising firm; Miss Anna Lord Strouse, President of the League of Women Voters; Mrs. Le Neill Dickinson, President of the General Federation of Women's Clubs; Dr. George Gallup, of the Young and Rubicam advertising firm; Justin Miller, president of the National Association of Broadcasters; Clarence Francis, chairman of the board, Sinclair Oil Corporation; Sheldon Clark, vice president, Sinclair Oil Corporation; Henry R. Luce, of Time, Inc.; and Eric Johnston, president, U. S. Chamber of Commerce.

The need for obtaining broader public representation had been recognized early. To that end, leaders of large national organizations of all types were asked to cooperate with the Committee. These individuals, over 120 in number, were brought together in a National Famine Emergency Council. The Council was never organized formally, nor were there any national meetings. Members assisted in their own way, either through the channels of the organizations they represented or by personal activity.
One big question had to be settled at the first "working" meeting of the Committee. That question was this: what area of responsibility should the Committee cover? It was agreed immediately that the Committee should work in the field of education and information to bring home to the public the need for conserving food supplies and thereby pave the way for whatever administrative actions the Government might have to take. It also was agreed that the Committee, while not an administrative body and not empowered to take administrative action, could properly make recommendations for administrative action by the various Government agencies concerned with the famine problem. The Committee, during the time it was in existence, limited itself to these two fields of operation.

The Conservation Campaign

The campaign, from the standpoint of people reached, was most successful. The Hoover missions to Europe, Asia, and Latin America were well publicized, both while the missions were out of the country and after they returned. The Advertising Council, through radio, newspaper, and magazine advertising, made it possible for millions of dollars' worth of publicity on the famine emergency to reach the public at no cost to the Government. The Department of Agriculture prepared press releases, radio scripts, feature articles, fact sheets, posters, movies and other types of material that reached, through the Department's field organization, almost every urban and rural home. At the request of Chester G. Davis, the mayor of the larger cities -- mostly those over 50,000 population -- formed local famine emergency committees to work for conservation and by the end of June 1946, committees
were operating in 230 large cities having a combined population of over 90 million. The distributive food trades were enlisted in the campaign, primarily to reduce food waste in marketing channels. Public eating establishments cooperated by reducing food waste in their kitchens and by reducing the size of the servings in the dining room -- the latter with the blessing of the Office of Price Administration. The American Red Cross distributed through the schools 22 million check lists carrying the conservation message. Labor unions, women's organizations, religious bodies, youth groups -- all swung into action. Space does not permit my giving you more than the highlights of what was one of the most intensive informational and educational campaigns ever carried on in this country.

Results of the Committee's Work

It is believed, although there are no statistics to back up the belief, that the total saving of food through the voluntary conservation campaign was rather small.

But the informational and educational campaign did create the desired "moral climate" needed for putting into effect drastic control measures which did make it possible to increase grain shipments. Some of these measures, in themselves, were aimed at bringing about conservation. Others made it possible to ship the wheat off the farms and into positions where the Department of Agriculture could buy.

Control Measures

The following control measures, which could be taken under legislation existing at that time, became effective during the first 6 months of 1941.
February: Prohibition of manufacture of flour of less than 80 percent extraction; tightening of wheat export controls by licensing of exporters; progressive limitation on use of wheat by mixed-feed manufacturers; limitation of wheat inventories of millers and mixed-feed manufacturers; limitation of wheat and flour inventories in the hands of food manufacturers and distributors; a requirement that, at the end of each week, wheat merchandisers and country shippers offer wheat not covered by preference order for sale to the Government. Further controls prohibited the use of wheat or wheat products in the manufacture of distilled and malted beverages, and restricted the use of all other grains for that purpose.

March: The Department of Agriculture announced limitations on receipts of wheat millfeeds and restrictions on the use of these products in the manufacture of mixed feeds. An amended order was issued to permit the manufacture of farina; the same order prohibited the sale or delivery of wheat millfeeds to other than feed dealers or flour to other than food manufacturers. The April protein meal "set aside" was raised to 10 percent. The quantity of wheat and other grains permitted to be used by mixed-feed manufacturers in designated western areas was reduced from 85 percent to 80 percent. Restrictions were issued on purchases and use of corn and other feed grains in a move designed to free more wheat for export by conserving supplies of all grains and to obtain more equitable distribution of market supplies of grain in the United States.

April: An amended order was issued reducing wheat-inventory limits of millers and mixed-feed manufacturers in 15 States from 45 to 30 days. The Department also announced that it would buy wheat from farmers for immediate
delivery to the Commodity Credit Corporation at the market price on any later date the seller might elect on or before March 31, 1947 -- the so-called certificate plan. Distillers' inventories of grain were limited to a 7½ days' supply on the basis of daily mashing capacity. Millers were required to reduce production of flour for domestic consumption to 75 percent of the quantity distributed domestically in the corresponding months of 1945. Food manufacturers also were required to limit the use of wheat in the manufacture of products for domestic human consumption to 75 percent of the quantity used in the corresponding months of 1945. It was announced that, effective May 1, millers and food manufacturers would be limited to a 21 days' inventory of wheat. The Department of Agriculture offered a bonus of 30 cents a bushel on wheat delivered under the "certificate plan" by May 25, and announced that it would buy 50 million bushels of corn from producers and pay a bonus of 30 cents a bushel above the market price on the date of delivery for corn sold to the Commodity Credit Corporation. All loans on 1945-crop corn were called as of May 1 to increase supplies of grain for export.

May: Distillers' use of grain was restricted to 3 days' mashing capacity. The Department extended until June 1 the time in which poultrymen might reduce flocks so as to become eligible to buy corn and other grains. Effective price ceilings on corn were increased by 25 cents a bushel, wheat by 15 cents, barley by 9 cents, rye by 10 cents, and grain sorghums by 15 cents per hundredweight through joint action of the Department, the Office of Economic Stabilization, and the Office of Price Administration. Bakers were required to reduce the weight of bread and rolls by 10 percent.
June: The Department announced that it would lend wheat to mills in special-hardship cases, the wheat to be released to enable mills to supply flour to areas where consumer bread supplies were found to be definitely short of the reduced emergency levels. Controls over the bartering of protein meal and soybeans were tightened so as to keep these products moving in normal trade channels. The Department also announced that the protein meal set-asides would be continued at 10 percent until further notice.

All the measures adopted by the Department of Agriculture to channel grain into relief use had some bearing on the rate of procurement. The combination "certificate-bonus" plan, however, proved to be the most successful. Under this plan, the Commodity Credit Corporation was in a position to pay more for grain than any other buyer. As a result, producers and other holders of grain sold freely to the Corporation. Enough grain was obtained, through the certificate-bonus plan and other measures, to enable the Government to meet its foreign commitments, with some substitution of other grains, by June 30, 1946.

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