



## The Origin and Lifespan of Food Assistance Programs during the Great Depression

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HST 401: Food in America

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To understand the origins of the first public food assistance program, we must first understand the origins of crisis in which the need for emergency food came from. The first measure taken to alleviate hunger happened in the context of a profound paradox: The paradox of want amid plenty, the paradox of hunger amid surplus, the quite sobering reality that farmers had to slaughter livestock, neglect harvest, and allow their existing food commodities to rot while simultaneously thousands lived in poverty with little to eat. It was a contradiction Janet Poppendiek referred to as *Breadlines Knee-Deep in Wheat*. The first food assistance

program was not manifested as a plan to artificially reduce prices at the retail level, nor to take food from the fortunate and give it to the unfortunate; it was to relieve farms of their surplus foods, which happened to be unsellable goods, and help facilitate these commodities within the economy. The redistribution of these surplus goods to the hungry as a form of relief was an afterthought. Only once it was clear that few people could comfortably support the government purchasing of food commodities for indefinite storage would lawmakers decide to redistribute the government's procured food.

One of the original schemes designed to address the issue of low produce prices was to raise tariffs and prevent Mexican and Canadian imports from inflating the market. Impacts of these policies can be seen in a case study of Mississippi's Tomato industry. Beginning in 1925, considerable Mexican tomato imports were occurring frequently enough that it was seriously affecting the price of Mississippi's selling power.<sup>168</sup> Due to vastly lower production costs, Mexican and Latin American imports could afford duties and higher shipping rates and still critically undersell domestic produce in the United States. Producers, shippers, and officials representing these constituencies had enough influence in Washington by 1929 to win a legislative session which drastically increased the import duties for tomatoes.<sup>169</sup> However, interstate competition would prove to further decimate many produce industries, and the Federal Government instead imposed quality regulations and could enforce withholding inferior produce to increase prices.<sup>170</sup> This highlights the willingness of government early on to intervene in the agricultural industry by withholding surplus commodities from market, but also shows the reluctance of the government at this time to buy or redistribute food, or even to pay for crop plowing, all methods thought of as unconstitutional or at least un-American. Prior to the depression, officials found it difficult to offer farmers the higher prices they wanted when the farmers were clearly producing in surplus. The principal

techniques implemented at this time revolved around tariffs and export markets.<sup>171</sup>

A number of simultaneous challenges faced the United States government in the wake of the depression, all of which it did not address equally: The difficulty of farmers to sell their produce on the market due to dramatically low prices; The economic immobility and joblessness which prevented consumers from facilitating the economy; The lack of food and nutrition available to the urban and rural poor. The Hoover administration had different priorities for the many issues at stake during the depression, but its solutions all incorporated a similar theme: non intrusiveness. President Hoover is remembered as being ideologically laissez-faire, and this shows in his opinions of how to address hunger and poverty. "The basis of successful relief in national distress is to mobilize and organize the infinite number of agencies of self-help in the community. That has been the American way of relieving distress among our own people."<sup>172</sup> Needless to say, Hoover was opposed to using the Federal government as a source of direct relief. He believed that local governments and private agencies could account for all the giving required to keep the American poor afloat<sup>173</sup>. For instance, President Hoover was a strong supporter of the Red Cross and spoke frequently with advisors and officials from this company. He typically encouraged the Red Cross to assume the role of a national relief corporation in times of economic

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<sup>168</sup> James L. McCorkle Jr, *Problems of a Southern Agrarian Industry: Cooperation and Self-Interest* (Louisiana: Northwestern State University of Louisiana, 1978), 242.

<sup>169</sup> *Ibid*, 244.

<sup>170</sup> *Ibid*, 249.

<sup>171</sup> Rachel Louise Moran. "Consuming Relief: Food Stamps and the Welfare of the New Deal" *The Journal of American History*, Vol. 97, Issue 4 (March 2011): 1001-1022.

<sup>172</sup> Herbert Hoover, *Statement on Unemployment Relief* (Washington, D.C., 1931), accessed in Oct. 2015 at <http://millercenter.org/president/hover/speeches/statement-on-unemployment-relief>

<sup>173</sup> Irvin Marion May, "The Paradox of Agricultural Abundance and Poverty: The Federal Surplus Relief Corporation, 1933-1935" (PhD, Diss., University of Oklahoma, 1971), 17.

distress. The National Red Cross did not add relief from economic depression to its agenda until 1932, although the Red Cross did accept the task of distributing some foods for the needy in the case of “drought emergency” in 1930.<sup>174</sup> This distant and indirect method to alleviating hunger and disparity was ineffective. Local Red Cross county chapters which relied on volunteerism took some responsibility in procuring and transporting food and other relief, but found themselves overwhelmed easily, especially in rural chapters. John Lewis, President of a mine workers union in the 1930’s, claimed that the Red Cross, community chest programs, and other voluntary or private efforts did virtually nothing to put food in the mouths of miners and their families, demanding that Federal action be taken to distribute relief.<sup>175</sup>

The Conservative’s loyalty to the system of charity might seem to be poor judgment today, but in the early 1930s, a number of charitable efforts were already being cultivated which would mimic the soon to be Federal programs of food surplus redistribution. Religious community involvement provided some relief in localized areas. Some churches or clergymen running food banks would receive tens of thousands of bushels of fruits and vegetables in the first years of the depression, and some religious centers also had gardens where urban agriculture fed the poor while simultaneously circumventing production and shipment costs.<sup>176</sup> Even more phenomenal was the fact that some farm industries created cooperatives which planned to distribute surplus foods “at cost,” purely out of the moral distaste of letting their crops rot while hunger persisted. In

California, growers united to create the Economic Conservation Committee of America (ECCA) to distribute fruits on a nonprofit basis to charities in every state in the country. The first project produced nearly 40,000 gallons of peach butter.<sup>177</sup> This entity advertised the need for surplus redistribution, and few other industries like the New York milk industry would also make attempts to remove their own surplus at minimum to no profit. The ECCA argued surplus redistribution was purely beneficial to all parties, and anticipated the reproduction of these results when the Federal Government eventually used similar methods.

While the conservative Hoover ideology was opposed to intrusive central government, Hoover’s insistence on not using federal means to offer relief of any kind (employment, commodities, food) may have come partially from his misunderstanding of the condition of poverty in the country. Whether it was out of ignorance, denial, or misinformation, Hoover and some of his followers insisted that actual hunger was a non-issue, that the thought of people lining up for food was only a caricature of how hunger or need in the country actually worked. They echoed things like Warburton’s “Unusually poor people are poorer under these conditions that exist this year than usual” or Hoover’s “No one is going hungry and on one need go hungry or cold.”<sup>178</sup> Perhaps it was a mere issue of aesthetics, but the need for food was a real one even if those asking for it did not fit the image imagined by Hoover as a needy person. It was true that the epidemic of unfed, unclothed, illiterate, uneducated homeless people filling the streets was often overstated

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<sup>174</sup> Janet Poppendieck, *Breadlines Knee-Deep in Wheat* (Brunswick, New Jersey: Rutgers, The State University, 1986), 28; May, 18.

<sup>175</sup> Ibid.

<sup>176</sup> Poppendieck, 36.

<sup>177</sup> Ibid.

<sup>178</sup> Poppendieck, *Breadlines Knee-Deep in Wheat*, 41, 51.

to arouse interest in reform, but it was precisely more of a crisis that hardworking American folks with futures, families and savings could not afford to feed themselves. Citizens that would not typically line up to look through the trash for food were doing so.<sup>179</sup> “It is not a rag tail outfit that is coming up here asking for money, it is the good, substantial farmers and citizens of the state” exclaimed a senator from Texas.<sup>180</sup> While poverty and destitution existed in the 1930’s like at no other time in American history, the urgency to provide federal relief came from the need of the *whole* nation to be fed. Hunger was persisting because the economy could not guarantee farmers a fair profit if no one could buy their food.

The beginning of state food redistribution began incrementally and without much input from the executive office. The Federal Government had already tried to address the issue of low farm profits and had purchased some excesses of grain, wool, and cotton in attempts to sell them overseas with legislation like the McNary-Haugan bill<sup>181</sup> and the creation of The Farm Board<sup>182</sup>, a grain procurement office. But these measures simply planned to restrict the output of crops as to align with demand.<sup>183</sup> Once in the light of the depression, however, the high demand for food illustrated the futility of restricting farm output for the sake of the economy. Increasing the scarcity of food only worsened the pandemic of hunger during the depression, so the Federal government took action. The first step taken by the government to redistribute food was a direct reaction to pressure from newspapers, protestors, and politicians criticizing the USDA and the National Farm Board for

freezing commodities in the agricultural industry. The Farm Board was an administration chartered to assist the struggling agricultural sector by withholding surpluses of farm commodities before the 1929 stock market crash.<sup>184</sup> This measure was much less controversial before the depression, when the economy of the United States could allow even the poor to buy food and create enough demand to bring farm commodities to market, but in 1930, the money did not exist to bring together the food and the consumers at the retail level. Without the wherewithal (or the liberal willpower) to enact a more direct farm bailout bill, congress created The Farm Board to instead prevent commodities from reaching the market, thus helping reduce the inflation of these commodities. The Farm Board’s first job was to procure a commodity, and its most abundant resource was wheat. On top of buying tons of surplus wheat from farmers at reduced prices, many farmers found themselves donating their surpluses to the Farm Board to alleviate their own costs of storage and distribution.<sup>185</sup> The Federal Government now found that it owned the rights to thousands of silos full of wheat across the nation. Immediately speculation of the future of the wheat arose. Left alone it would merely devalue. Its destruction, relocation, or consumption would require some funding one way or another. The many avenues with which the Farm Board could handle this commodity were reduced to those which demanded action. Despite conservative wishes to keep the government out of the economic recovery, the Farm Board’s acquisition of unsellable wheat was too convenient not to manipulate further into a food relief program. Liberals wished to take

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<sup>179</sup> May, 19.

<sup>180</sup> Poppendieck, 41.

<sup>181</sup> Moran, 5.

<sup>182</sup> Ibid, 6.

<sup>183</sup> Ibid, 14.

<sup>184</sup> Ibid, 6.

<sup>185</sup> Poppendieck, 36.

this wheat -already in surplus- and satisfy the pressing problem of simultaneous hunger. The radical plan would vanquish the persisting paradox of hunger amid plenty, which gave it great appeal, but the suggestion alone was an enormous step in public policy. The government had never regulated such a basic human need on such a widespread scale, and the topic of relief for those in poverty reaching congress was expected to “rock the foundations of government” as one Ohio official put it.<sup>186</sup> The measure definitely did not pass without struggle. Skeptics on the one hand were assured there was no starving class of Americans, and conservative politicians claimed reports of undernourishment were widely over exaggerated.<sup>187</sup> The consequences on commodity price were uncertain. Even a “State’s Rights” affair became a hitch that critics would harbor on.<sup>188</sup> None of these holes could sink the grain redistribution ship in congress though. After a few consecutive battles in the House and Senate, democratic and republican chairmen came to an agreement that there was a moral dilemma to buying wheat to keep off of the market and sitting on it to withhold from needy and starving Americans. Congress did not decide on an all-out welfare program for the poor though. Still wary of total government intervention, legislators compromised on merely donating the wheat acquired by The Farm Board to private relief agencies, (largely the Red Cross but also to other independent charitable organizations). The Federal government agreed to make a massive contribution to the welfare of the poor in the form of commodities, but this coincidental transfer of goods was still managed and manifested at the local as well as private level. The legislation was, to the

surprise of many, signed by President Herbert Hoover.

Whether Hoover approved of the redistribution of food to the poor was because the Government was intervening on the behalf of an organization and not on behalf of the jobless, or because he could tolerate relief in the form of food and not money, is not entirely clear.<sup>189</sup> Nevertheless, the progress of food distribution policy during the Hoover administration was slow and incomplete. Hoover and the conservatives did not accept the importance of the role government in providing food security to millions of poor Americans until 1932, when it was far too late to remain in a position of power. The election of Franklin Roosevelt would not only much more aggressively meet the needs of farmers, but it would much more graciously and efficiently deliver to the poor. More importantly, the New Deal government -for a time- would replace the fragment of the market which could not buy food as a necessity nor sell it as a source of income. It acted literally as a public channel for what the private channel failed to do. But during the New Deal era, surplus redistribution would adopt some formalities. The Hoover era wheat donations to the Red Cross proved to be successful, but this was also after four years of the President insisting that the Red Cross, local/municipal governments, and private entities carry the entire burden of economic recovery. State representatives thanked the Red Cross for its management of the flour and wheat given to it by the Farm Board, but they also demanded more extensive action on the part of the Federal Government.<sup>190</sup>

Protest, boycott, and criticism of the government continued after the election of

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<sup>186</sup> Ibid, 55.

<sup>187</sup> Moran, 19.

<sup>188</sup> Ibid, 32.

<sup>189</sup> Poppendieck, 70.

<sup>190</sup> Ibid, 72.

FDR. The New Deal Government would eventually provide food relief in a much more integrated manner than before, but this was not until first passing the monolithic Agricultural Adjustment Act. (AAA). The AAA was a controversial ~~and in some places, blasphemous~~ bill, and was even considered blasphemous by some. While contemporary opinions on the AAA's effectiveness are mixed, its opposition would also put pressure on the government to come up with an alternative policy to paying farmers not to grow crops as the AAA had begun to do.<sup>191</sup> The anger of political activists over the paradox of removing food from the market as people starved, especially with the hindsight of the Farm Board's successful wheat donations, suggested that mere removal of surplus from the market was not enough intervention to suppress the pains of poverty, and that the continuance of redistribution was necessary to ameliorate hunger. The Roosevelt administration appeared to be making the same mistakes of the decade prior with the creation of the AAA. While the AAA would continue to manipulate farm output until it was declared unconstitutional in 1936, this spawn of the New Deal government would also soon inspire an idea which would later manifest itself as its own corporation remembered for more effectively tackling the issue of over-production.<sup>192</sup>

In early 1933, just following the election of President Roosevelt, the USDA ordered the slaughter of piglets to hold pork from the market in an attempt to control prices the prices of both pork and corn, a

common hog feed<sup>193</sup>, and the resulting pork was subsequently acquired by the Farm Board. In combination with the moral conflict of killing animals in surplus, the withholding of their meat in spite of widespread hunger lead to many newspapers calling government policy immoral and unfair. The first weeks of the New Deal government, while anticipated with excitement, also met skepticism. Mere public opinion (even of the taxpayer) is seldom enough to change official's opinions, but it was soon apparent that too many writers, celebrities, politicians, CEO's, advisors and experts called for the distribution of food for the needy for it to remain an experimental policy. That being said, despite the huge demand across government for Federal intervention to ameliorate hunger, the democratic process would not be responsible for determining the fate of this newly acquired pork.

The next chapter of American food assistance would be non-congressional, but the sentiment/ideologies of food assistance and more generally the ideology of the New Deal Government did play in the role of the creation of the first permanent food assistance plan. Congress, members of the AAA, and other officials all provided influence in the plan to mimic the Farm Board's distributive behavior, but its onset was set up by informal presidential approval.<sup>194</sup> Roosevelt convened with official Harry Hopkins and Jerome Frank, heads of the AAA to be a part of the General Counsel for a new system to carry out pork distribution.<sup>195</sup> Chartered as an elusive

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<sup>191</sup> Ann F. White, *Plowed Under: Food Policy Protests and Performance in New Deal America* (Bloomington, Indiana: Indiana University Press, 2015): 7-10.

<sup>192</sup> United States Department of Agriculture, *Stopping Waste in Farm Surpluses*, (Washington D.C., 1938.), 2.

<sup>193</sup> Moran, 1004.

<sup>194</sup> Ray Forrest Harvey, *Want In the Midst of Plenty: the Genesis of the Food Stamp Plan* (Washington: American Council on Public Affairs, 1941), 24.

<sup>195</sup> May, "The Paradox of Abundance and Poverty", 64.

executive order (unusually however, in the state of Delaware, as its laws were the only to provide a sanction for such a corporation<sup>196</sup>), the redistribution of pork procurements went forward as it did with wheat, only this time it was simultaneously overseen by a new authority called the Federal Surplus Relief Corporation (FSRC), charged with the tasks of balancing the budget with which the government could buy commodities, choosing which methods would be used to distribute these commodities, and choosing where foods would be relocated to. These pork procurements were not merely donated to the Red Cross, however. Private organizations would still receive goods for their own relief efforts, but food relief had now become a state effort. This time, the FSRC would decide what states, cities, and municipalities would receive surplus goods. This was of course, on a grander scale. Potatoes from the northeast, for instance, would be brought to the west and grapefruit from the south would be distributed northward.<sup>197</sup> The methods of local distribution would be left up to the states and municipalities to decide. The Federal Government did not mandate that all surplus foods must be distributed via public nor private commissaries, retail centers, or delivery, but all of these channels were used.

Many recipients favored an unprecedented new home delivery method, in which qualifying families selected by local social work offices actually received their relief on their front doorstep. This was popular for the obvious reason of avoiding stigma. Often entire counties and some states found this measure to be the most functionally effective as well, especially in rural areas, due to the low density population.

Many city governments receiving food from the FSRC however decided that the food would be best distributed at commissary offices assigned with relief responsibilities, which were staffed by state welfare experts and social workers. Some states or localities required those on assistance to call-in and then pick-up deliveries. The Chair of Commodity Distribution within the FSRC estimated through state reports in 1934 that 26 different methods of surplus food distribution existed among the many practices.<sup>198</sup> However, the FSRC made it very clear to the states that the success of government relief was up to them. The distribution wing of the corporation had to communicate with each state government to assure that the assigned surplus goods and their quantities could be utilized effectively, and could be transported, processed, and delivered in a timely manner.<sup>199</sup> It was also up to local governments to report to the FSRC how many families on relief they were expected to serve, or to account for what crops already existed in a state as to ensure shipping of a commodity to that state would not accidentally create a new surplus.<sup>200</sup> Thus, the effectiveness of the surplus relief plan varied greatly from area to area. In one instance, the FSRC sent a three month supply of cabbages to Massachusetts relief officials, who could accommodate only a month's supply<sup>201</sup>, recreating the issue of surplus in this location. Other types of problematic issues often arose in commissaries. Some were fantastically efficient, but in others, the same issues arose in these warehouses that did from the Farm Board's wheat plan where FSRC donations were merely handed to other organizations for indefinite release without any prior planning. People in need

<sup>196</sup> May, "The Paradox of Abundance and Poverty", 63.

<sup>197</sup> Moran, *Consuming Relief*, 1005.

<sup>198</sup> Moran, 95.

<sup>199</sup> USDA, *Stopping Waste*, 3.

<sup>200</sup> *Ibid*, 4.

<sup>201</sup> May, 197.



would line up to receive food in a much more traditional fashion, creating all too-familiar “bread lines” that organizers of the FSRC had hoped not to replicate.

Just as the Farm Board’s Federal bread donations were received positively, those receiving commodity relief via the FSRC were also supportive of the program. Though there were imperfections, ranging from late deliveries<sup>202</sup> to limited dietary options (relief packages sometimes consisted of prunes, citruses and jelly), the first food assistance program in the United States was considered a success. In 1933, relief foods totaled almost 700,000,000 pounds<sup>203</sup> and reached millions of Americans in all states plus the Alaskan Territory.<sup>204</sup> All forms of public assistance were beneficial to the poor during the great depression, but food relief was especially crucial to the many recipients who would only rely on the FSRC as their only handout from Federal arms. Forty percent of those receiving public assistance solely received surplus food as their single form of relief.<sup>205</sup>

The FSRC was not free from criticism. One of the complicated issues behind the morality of food distribution was that it utilized the Agricultural Adjustment Agency’s “economics of scarcity,” or supposed that reducing the amount of product from an industry would help it sell in greater quantities.<sup>206</sup> While some people did approve of the FSRC for *redistributing* withheld food instead of destroying it, this did not satisfy the skeptics which suggested that this relief food was replacing the consumer need to buy the same foods on the retail market. The FSRC promised that its food donations would go “above and beyond” the current

purchasing practices of the hungry, and that the relief food consumed by them would not replace the food purchased at grocery stores, although little evidence of this was unearthed to show that this was the case. Grocery store owners, retailers, and the middle-men of the food industry complained that ameliorating hunger was done in the favor of farmers and at the expense of everyone else, and they would be long standing enemies of Federal food relief until a better system was designed to feed the hungry.

The FSCR also had a brief stint with non-agricultural commodity relief before its demise. It obtained cow hides in surplus and expected to make shoes out of them for redistribution as a free relief commodity. Despite the potential boost to the leather industry, fierce lobbying and resentment from retailers and marketers who expected the demand for shoes to plummet prevented the redistribution of much of this leather. The same behavior was exhibited by the mattress industry when the FSRC acquired cotton and began fabricating mattresses out of it: the National Association of Bedding Manufacturers criticized the FSRC, claiming that its purchase of cotton would destabilize prices<sup>207</sup> and result in higher costs for commercial producers. The business class was unanimously opposed to government intervention in the economy on the grounds that its competition with the free market would ultimately destroy it.

Consideration of this resistance to commodity relief brings out one of the more phenomenal achievements of the FSRC: The ability to perpetually donate foods to lower levels of government in co-existence with traditional channels of food commerce.

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<sup>202</sup> Ibid.

<sup>203</sup> “Relief Totals 692,228,274 Pounds” New York Times, 1934.

<sup>204</sup> May, 261.

<sup>205</sup> Harvey, *Want In the Midst of Plenty*, 20.

<sup>206</sup> Poppendieck, 127.

<sup>207</sup> Moran, 222.



While retailers and shopkeepers were extremely unhappy with the bypassing of their outlets when food reached the poor via Federal relief efforts, the moral duty of feeding the poor often kept criticism from reaching a practical level of action against relief. The FSRC's food redistribution was one of the most successful relief efforts facilitated by FERA, and this is likely because the presence of hunger and starvation was an urgency that politicians were much attuned to relieving.

Ideologically, the FSRC seemed unstoppable. However, there was a complicated bureaucracy around the FSRC. For instance, the FSRC received its food donations from the Agricultural Adjustment Administration, and since the corporation was chartered by Roosevelt and thus received no appropriations from congress, its primary funding was derived from transfers from the Federal Emergency Relief Administration (FERA).<sup>208</sup> The FSRC in fact acted as a subsidiary of Federal Emergency Relief Administration, with food distribution being one of the many tasks that the Emergency Relief branch of government was responsible for. FERA was established to contain all of the programs that would provide wage relief, work relief, food relief, or commodity relief to those in poverty. As a technical detail however, FERA was only financially supporting the actions taken by the FSRC. In order for the FSRC to give food to the municipalities that required food relief, those governments had to first buy it. But the funding for these purchases was still federal, because FERA made monetary credits to state governments which were then used by the states to purchase the allowed surpluses from the FSRC. They could only legally give

surpluses as a sale, and simultaneously, could also only legally receive surpluses as donations from the Agricultural Adjustment Administration.<sup>209</sup> It was soon apparent that "red tape" was one of the bigger obstacles of the Federal Relief wing of government, and the delicacy of the relief system entailed that if any one part of this sequence should be repealed, abolished, or otherwise cease function or funding, the entire surplus chain became futile. In a nutshell, the FSRC was a purely a distributing agency: a means by which food traveled from one place to another. Chaotically, the AAA provided the food and FERA provided the funding (and in many cases, the directions for FSRC operation and behavior).<sup>210</sup> The lack of centralization also led to what some called a plainly poor quality service. Perishing foods and late deliveries were non-existent in a few places, they were sometimes characteristic in other areas.<sup>211</sup> Though these discretions originated at the local levels, it was often not perceived as such, and the lack of supervision and confrontation to these problems by the Federal banner led to a brief lack of confidence in the FSRC's abilities.

The FSRC was also under threat because its main source of funding, the FERA, was being liquidized in 1935. In a grand attempt by lawmakers at the time to make government more orderly and less dependent on Roosevelt's executive orders (formal or otherwise), FERA was dissolved and replaced with an agency named the Works Progress Administration (WPA).<sup>212</sup> As the name suggests, the WPA was not so much involved with commodities as it was with job relief, and was not designed to be compatible with the functions of the FSRC.

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<sup>208</sup> May, 65.

<sup>209</sup> USDA, 1.

<sup>210</sup> Harvey, 6.

<sup>211</sup> Gertrude Springer, "The Federal Bread Line," *Survey Midmonthly* vol. 75 (1939), 69.

<sup>212</sup> Poppendieck, 208.

Food distribution would have to be funded, directed, and controlled by a new institution.

By 1935, it was apparent that if food relief were to continue, it required centralization and a unified headquarters. In an effort to become more autonomous and more closely intertwined with the needs of the agricultural industry, the FSRC was ended and replaced with the Federal Surplus Commodities Corporation, an organization then monitored by the USDA and secretary of agriculture Henry A. Wallace.<sup>213</sup> The FSCC was a more centralized version of the FSRC. It no longer relied on donations from the AAA or FERA. The FSCC began writing its own reports, making its own investigations, and relying on its own data. The FSCC could now estimate how much of the market it was purchasing, for instance, and it aimed to buy anywhere from 1-5% of the market of a given food (although the FSCC purchased up to 10% of available stock in some commodities).<sup>214</sup> It also addressed the quality issues hampering the FSRC's reputation earlier. Among the reforms during the transition from the FSRC to the FSCC was a top down approach designed to encourage better shipping practices, on-time deliveries, and improved packing methods to reduce spoil in perishable items.<sup>215</sup> The issue of funding was still muddy in its initial phase, but this was soon addressed once internal resistance to some of the FSCC's operations on a financial basis arose. Occasionally official comptrollers could find no reason to allocate millions of dollars within FERA funds or Public Work Agency funds to the seemingly unrelated FSCC.<sup>216</sup> It was in 1936 the objection by the comptroller was so strong that the FSCC sought and received clarifying statements of its powers from

Congress.<sup>217</sup> The FSCC was now an entity very much in charge of its own autonomy.

While the transfer of the FSRC operations to the FSCC helped to ameliorate efficiency issues and remained the core enabler for food relief efforts, it did not shrink its list of accumulating enemies, especially retailers. The business sector still wanted commodity redistribution efforts to halt or be greatly diminished. The popularity and practicality of food relief was too great to dismiss it altogether, but it was apparent that the economy would not pick itself back up if the infrastructure designed to buy and sell food conventionally was not as locomotive as the agencies propped up by the government to feed the hungry. The method of direct distribution of surplus foods to the needy faced opposition from groups like the National-American Wholesale Merchants Association, the National Retail merchants Association, and some local Chambers of Commerce.<sup>218</sup> Throughout the 1930's, arguments on the behalf of the business sector would become familiar. Retailers, and soon officials would demand that a new method of food relief had to be drafted which would include in the system: grocery stores, farmer's markets, and conventional food purchasing centers. This was imperative in order to avoid a necessary piece of the economy from going out of business and further separating agricultural product from the money needed to buy it.

In 1937, Congress once more had the occasion to review the activities of surplus distribution under the FSCC. Politicians privy to these business complaints were tempted to terminate the program, but again the moral determination to feed the hungry prevailed, and it was voted to be extended for

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<sup>213</sup> Poppendieck, 213.

<sup>214</sup> Harvey, 11.

<sup>215</sup> Springer, 69.

<sup>216</sup> Harvey, 25.

<sup>217</sup> Ibid, 26.

<sup>218</sup> Ibid, 24.

at least another two years.<sup>219</sup> This time around, the conflicts of business and export markets were being considered greatly in the re-formulating of the food relief plan. Among other clarifications, congress noted that funding and direction of the FSCC was to come from the US Department of Agriculture, and was designed to serve their dominant interests. In 1937, Henry Wallace, head of the USDA, made the goal of the FSCC to focus more on agricultural accommodations rather than to feed the poor, strictly limiting some of the crops and quantities available for surplus donation. This was done with the hopes that it would prevent unwanted competition with traditional routs of food purchasing in America and would restore wholesale and retail purchase.<sup>220</sup> Wallace asked for funds to take surplus wheat and cotton crops and export them overseas to waring countries to revive agricultural prices at a lower cost to the USDA and FSCC, but this also meant that the FSCC was not as accurately responding to the domestic relief crisis as it had once before.<sup>221</sup> This was timed poorly because simultaneously in 1937, Roosevelt was revisiting the values of budget balancing, and as a result the budgets of many agencies like the WPA and FSCC were cut. Millions of layoffs followed, and by April 1938, an estimated 4 million more people lost work.<sup>222</sup> Thanks to the pressure from the retail industry, reduced government spending, and additionally a phenomenally plentiful wheat crop in 1938, the FSCC was now executing a policy of surplus procurement for the agricultural sector when again millions of people were in dire need of food. Budget cuts forced welfare offices to shut their doors and

the paradox of want amid plenty appeared to grow stronger, if at least momentarily.<sup>223</sup>

1939 arrived. Its congressional review was soon due. Mounting surpluses combined with the new “recession” forced officials in the USDA to refocus. Wallace placed Milo Perkins as head of the FSCC, an official who had long proposed that the solution to the FSCC’s malfunction was to design a plan to encourage more domestic consumption of wheat, instead of exporting it to waring Europe.<sup>224</sup> As congress discussed what was to be done with the institution which now was unpopular with business, underfunded by Roosevelt, and appeared to be failing, officials were still working on a way to revive its activities in a more convenient and domestic fashion as to continue to provide some sort of answer to the paradox of hunger in America.

Together, Secretary of Agriculture Henry A. Wallace and head of FSCC Milo Perkins invited and discussed among business representatives and key people among the trade, welfare, and farm industries how to develop a business-like way of providing food relief.<sup>225</sup> Among the many plans put forward to congress to alter the food surplus program was the composite result of these meetings, often with great credit given to Milo Perkins: The Food Stamp Plan. This plan was designed to give as many social benefits as possible to all parties. In the cities that chose to accommodate the new rules, the expanded program would include working families with low incomes, , not just those who were unemployed and on relief.<sup>226</sup> More importantly, the Food Stamp Plan was engineered around cooperation with retail

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<sup>219</sup> Ibid, 25.

<sup>220</sup> Poppendieck, 205.

<sup>221</sup> Ibid, 240.

<sup>222</sup> Ibid, 234.

<sup>223</sup> Poppendieck, 236.

<sup>224</sup> Ibid, 141.

<sup>225</sup> Milo Perkins, *Eating the Surplus through the Food Stamp Plan* (Washington D.C.: U.S. Government Printing Office, 1941): 10.

<sup>226</sup> Harvey, 20.

channels. To avoid cooperation with private milk distributors for instance, relief clients were required to declare how much milk they had been purchasing before application to the program.<sup>227</sup> The Federal corporation would also collaborate with the Bureau of Home Economics in order to better prescribe surplus goods to needy families.<sup>228</sup> Boxes of surplus would even be marked, “Relief: Not to be sold” in order to assure that stamps marked “surplus purchasing” would only purchase surplus foods.<sup>229</sup> Many new measures were taken to assure that surplus foods were to be supplemental to the diets of the needy and merely additional to the foods that they were already purchasing.

The most fundamental changes made by Perkins’ food stamp plan were based on the sequence of payments which would ultimately reach the farmer. First, yet another new agency would be chartered, aptly titled the Surplus Marketing Agency (SMA). The SMA “would *not* go into the market to purchase commodities” Perkins explained.<sup>230</sup> The SMA would instead distribute stamps tender for the purchase solely of surplus food stuffs. This meant that the Federal Government would not be giving any money to any farmers, nor would it be giving any food to any states or relief organizations. The radical Food Stamp Plan would instead give *buying power* to clients. Instead of the government buying commodities and giving to the poor (in essence facilitating a transaction with farmers and leaving wholesalers and retailers out of the picture), clients would make grocery orders or wholesale orders, giving their stamps to these middlemen who could then bank them or redeem them for cash directly from the FSCC

(an entity which would still remain under Perkins’ plan.) The farmers would of course still be able to receive money from their respective wholesale or grocer partners in business.

The popularity of the prospective food stamp plan also brought to light some other issues with the FSCC’s original methods of mass food redistribution. First was pricing: If the FSCC made an improper calculation for the bulk purchase of a commodity, it would have dramatic consequences for the deflation of the price in that market. During the processing time, the foods are still being withheld from the market and for all intents and are purposes “frozen.” The use of the FSCC’s delivery and transportation methodology also entails that foods will wait longer before reaching their final destinations. Foods must be bought, sold, assigned destinations, transported, and given out all before they perish, or else the corporation has made a squandered purchase. Because the FSCC itself did not own any warehouses, the expediency of this processing was of the utmost importance.<sup>231</sup> The demand for a food stamp plan was being called for on the basis of efficiency and not just fairness. The FSCC’s inefficiencies received newspaper coverage.<sup>232</sup> The alternative Food Stamp Plan was considered an “enormous improvement over any method of food distribution yet developed.”<sup>233</sup>

The stamp plan was agreed upon by Congress in 1939. As the Food Stamp name suggests, the program relied not on home deliveries but on stamps given to those on relief for the purchase of food. It was expected that the use of these stamps would increase the buying volume of surplus foods

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<sup>227</sup> Ibid, 14.

<sup>228</sup> Ibid.

<sup>229</sup> Springer, 66.

<sup>230</sup> Harvey, 15.

<sup>231</sup> Harvey, 10.

<sup>232</sup> Springer, 67-69.

<sup>233</sup> Joanna C. Colcord “Stamps to Move the Surplus”, *Survey Midmonthly* vol. 75 (1939): 3.

buy the poor<sup>234</sup>, and would also facilitate the use of grocery stores and wholesalers once again. The issue of private competition with the government, as well as the issue of surplus procurement being prioritized for export over domestic consumption was addressed with this new system of food relief. The plan revealed an added benefit of relief clients being able to choose which surplus goods to purchase.<sup>235</sup>

Continuing Perkins' story of success, the first months of the SMA's Food Stamp system proved to accomplish exactly what it had set out to do. The first instance of the program being used was in Rochester, NY in May 1939. By August, Rochester grocers reported a 5-7% increase in business excluding stamp transactions.<sup>236</sup> Another report claimed a substantial increase in sales "above the volume of blue stamps was noted for peaches, cabbage, peas, onions, tomatoes and pears" and estimated that more than a dollar' worth of food was sold for every dollar spent on redeeming blue surplus stamps.<sup>237</sup> Public and state acclaim of the project was positive. In order to apply for the new experimental Stamp Plan program, cities had to halt purchasing FSCC services for surplus distribution under their current methods (whether it be through commissary or delivery) and agree to solely enact the new SMA Stamp rules, yet by 1940, nearly 700 cities had applied to do so.<sup>238</sup> The SMA continued the trend of quality control as well, and reported that it could better identify which surplus commodities were in demand and which were more likely to be consumed and in which areas. Interactions of the demand for surplus butter in the presence of

surplus pork lard could be measured for the first time.<sup>239</sup> The quality and scope of foods being made available for relief significantly improved. All in all, social workers and clients alike agreed that they were receiving "more and better" food stuffs under the food stamp plan than with prior direct distribution methods.<sup>240</sup> Other tasks used with the funding after the establishment of the SMA include the use of surpluses to aid development in new industrial uses from farm products, and the purchase of foods via public schools in the very first (and very brief and limited in scope) pilot public school lunch experiments.<sup>241</sup>

The Stamp Plan was surely the most widely accepted and least contested form of food relief developed in the 1930s. While undoubtedly the idea of food relief in general had become more popular by 1940 among consumers and legislators alike, food relief programs still had major drawbacks that were not by any clear evidence in threat of being addressed soon. One of the lasting criticisms of early food relief was that the Government's purchasing of foods—even when redistributed- *did* in fact raise their prices. Even the Stamp Plan arguably changed the price of commodities when paid for with cash. The market became much more favorable for the farmer, but also became less favorable for the buyer. In theory, the poor were lifted from this burden by means of public assistance, but not everyone who was poor received public assistance. Many Americans "were hanging on to [economic] independence by the skin of their teeth"<sup>242</sup> during the Great Depression, and were not pleased when they watched

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<sup>234</sup> "Food Stamps, April 1," *Business Week*, 1939.

<sup>235</sup> "Food Stamp Plan Makes Hit," *Business Week*, 1939.

<sup>236</sup> Colcord, 2.

<sup>237</sup> Perkins, 16.

<sup>238</sup> Perkins, 11.

<sup>239</sup> *Ibid*, 13.

<sup>240</sup> Colcord, 2.

<sup>241</sup> Perkins, 17.

<sup>242</sup> Springer, 70.



their paychecks go to foods that they paid more for, undoubtedly as a result of Federal procurement, while those on relief received not only free foods but also other relief commodities reduced in price such as suits, coats, and cots. What became of the millions who earned a low wage and did not receive food relief is not well documented, but it can be said that the purchasing of commodities by the Federal Government resulted in many poor working Americans facing higher prices.<sup>243</sup> Finally, despite the changing attitudes about the duty to relieve poverty, accusations of thriftless and immoral behavior on the behalf of the poor persisted throughout all of the depression. Conservative attitudes about personal responsibility were ingrained into the American psyche and would not be easily eroded. Even FDR, sounding much like his predecessor Hoover, admitted that his hometown was shirking its community responsibility and neglected to help its neighbors the way it had done years before.<sup>244</sup>

The end of America's first experimentation with food assistance are at first curious. Criticism of its actions were persistent but mainly ideological. It cannot be said that public welfare was not needed or abandoned in total, since the return of state assistance would be seen again in the 1960's, and that would include a brand new Food Stamp Plan. However, like many of the economic woes of the 1930s and early 1940s, government assistance and pervasiveness in the economy disappeared in the aftermath of World War Two. Why should such a successful corporation -- frequently praised for being marginally unlike other Federal institutions -- be abandoned?<sup>245</sup> After all, food relief was the only widespread Federal relief measure approved by Hoover, *and* the

only form of commodity redistribution that producers and marketers could stand to tolerate. Yet in retrospect, the first food relief programs were not really designed to test the limits of government. They also were not designed to permanently support the poor. They were most definitely not designed to replace the conventional economics of a capitalist America indefinitely to aid farmers and consumers. The first food assistance programs were born during the consequential paradox of co-existing hunger and agricultural surplus. The FSCC's direct distribution and Food Stamp Plans provided an answer to this conundrum during The Great Depression, but after this period of economic turmoil had ended, neither the hunger nor the surplus persisted. The Federal Government's successful food stamp program was abandoned because wartime consumption, overseas exportation of food, and rapid employment of Americans for the war effort sealed both ends of a paradox which seemed to cause one another.<sup>246</sup> Could a successful food stamp program have been reestablished immediately after the war? Perhaps. But it would take a political will to help the poor (regardless of surplus measures) to do that, one which simply did not exist in 1945. The revival of food relief would be briefly discussed in every Congress after its demise, but the urban voting public's disinterest with agricultural policy in the postwar world -which it found complex and arcane- led to a lack of action until concern over America's poor reached the spotlight once again with the election of John Kennedy.

The food relief plans of The Great Depression illustrate how America's democracy functions as a reactionary government, and its continued history beyond the 1930s shows that food assistance

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<sup>243</sup> Harvey, 33.

<sup>244</sup> Poppendieck, 210.

<sup>245</sup> Harvey, *Want In the Midst of Plenty*, 26.

<sup>246</sup> Poppendieck, 241.

policy has relied on the state of the poor indefinitely, yet it is interesting how the interests of farmers, retailers, businessmen, and common citizens all managed to make impactful impressions on the radical legislation. The use of surplus goods to help feed those in America's most pressing time of unexplainable crisis also shows the ingenuity and openness of some of America's lawmakers. The United States may never see a more progressive time in its legislative history, but its examples may be used as outlines for public policy for generations to come.