STATE FOOD COMMISSIONS -
THE MASSACHUSETTS EXPERIENCE
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The Commission and
Its Organization

In October of 1973, the Governor
of Massachusetts appointed a Commission
on Food that included citizens repre-
senting agriculture, labor, the food
industry, education, government and con-
sumers. The Commission was charged
with the task of recommending programs
and policies that would assure Mass-
achussetts residents an adequate supply
of food both now and in the future.

The appointment of the Commission
was a response on the part of the
governor to rapidly escalating food
prices and growing alarm about the de-
clining agricultural land base in the
Commonwealth. One must also recognize
the political implications of the food
price issue for a governor about to run
for re-election.

Professor Ray A. Goldberg, Moffett
Professor of Agriculture and Business in
the Graduate School of Business Admin-
istration at Harvard University was
appointed by the governor to chair the
Commission. I was asked by Ray Goldberg
to serve as Executive Director of the
Commission, a task that I accepted with-
out considering the consequences, especi-
ally in view of the fact that no budget
was appropriated to support the work of
the Commission.

The Commission approached the task
by organizing into task forces to deal
with six functional areas;

1. food production and supply,
2. labor and economic incentives,
3. transportation, distribution, storage
   and logistics,
4. marketing,
5. government institutions and structures,
   and
6. food prices and consumer policies.

Each task force was headed by a
chairman who was a member of the Com-
mmission, and a professional resource
leader was appointed to each task force
to provide technical assistance and assume
responsibility for completing the task
force report.

The Food Situation in 1973

We are all familiar with the
scenario in 1973 — the United States had
moved from a problem of chronic surpluses
of agricultural commodities to temporary
shortages and rapidly escalating food
prices. Poor weather and harvests in
parts of the world, general inflation, the
increased purchasing power of other nations
and the policy decision of our government
to export large quantities of grain all
contributed to the world and U.S. food
problem.

The net effect of the world and
domestic supply and demand conditions was
an increase of 14.5 percent in retail
food prices from 1972 to 1973, the largest
annual increase in a quarter of a century.
The Approach

The Commission through its six task forces approached the assigned task by addressing several central questions:

1. Do Massachusetts consumers pay more for food?

2. If so, why does food cost more in Massachusetts?

3. In what other ways does our dependency upon outside sources for food affect Massachusetts consumers?

4. How can we ease the burden of higher food prices for disadvantaged consumers?

5. What are our food production resources in Massachusetts and how can we utilize them more effectively?

6. What is the role of state government in the food system and how can it be made more effective?

The Conclusions

I will attempt to summarize the conclusions and recommendations of the Commission relative to the six central questions.

First of all, based upon budget data furnished by the Bureau of Labor Statistics it appeared that food costs were from seven to ten percent higher in Boston than in the average U.S. metropolitan area. Since Boston is the market center for Massachusetts and includes the distribution headquarters for several firms operating statewide, it was concluded that Massachusetts consumers probably do pay more for food than most other consumers in the U.S.

In order to determine why consumers in Massachusetts pay more for food an analysis was made of the cost of marketing services which represents about 60 percent of the retail price of food. With the exception of transportation costs, marketing services did not appear to cost more in Massachusetts than elsewhere in the U.S. Transportation costs were found to be higher in Massachusetts for several reasons including the high degree of dependence upon other areas for our food supply, (the production of food in Massachusetts is equivalent to only about 16 percent of the total consumption) the distance from many major sources of supply, the continuing shift from rail to truck and the insufficient availability and use of special volume rail rates for feed and food shipped into the state. The bleak outlook for energy costs made it likely that transportation costs would place Massachusetts consumers at an increasing disadvantage in the future.

In addition to relatively higher transportation costs, the high degree of dependency on outside sources for food makes Massachusetts consumers highly vulnerable to disruptions in the transportation system as demonstrated by the independent truckers' strike in 1973.

It was concluded that the burden of rapidly increasing food prices in Massachusetts was especially serious among the young (under 25), the elderly (over 65), the Black and Spanish speaking residents. It was also concluded that the Food Stamp Program was the best means available for helping alleviate the effects of high food prices on the disadvantaged.

An analysis of food production resources in the state indicated that the number of farms and acreage in farms had declined rapidly since 1945. The analysis
also indicated that there are only about one million acres of land in the state that is well suited for food production and, of that, only 29 percent of it was in cropland.

Seafood is one of the most important food resources in Massachusetts. Due to overfishing the annual catch of Atlantic ground fish has been declining. The landings of fresh fish at the three major Massachusetts ports in 1972 was only about half of the 1961 landings.

Finally, the role of state government in the food system was reviewed. It was found that most of the 10 executive departments in Massachusetts had programs or responsibilities that were related in some way to food production, marketing or consumption. However, there appeared to be a lack of coordination among the state agencies and no well-defined food policy. In addition, there appeared to be a need for additional regulations or legislation in some instances as well as deregulation in others when existing regulations were no longer useful in maintaining a competitive food system.

The Recommendations

Based upon the findings of the Commission a series of recommendations was made to the Governor. These recommendations included programs and policies that could reduce the disadvantage of Massachusetts consumers with respect to the supply and price of food. The major recommendations dealt with transportation, food processing facilities, the Food Stamp and other food assistance programs, new food sources, consumer information and education, the protection of Atlantic fishing resources, incentives for expanding agricultural production and the role of state government in the food system.

The recommendations were mostly actionable at the state level but included some that involved national legislative or policy changes.

The Commission recognized that the food system in Massachusetts is part of an interrelated national and international system and that a single state has no direct control over what happens in the entire system. However, it was also apparent that the New England region shared some common problems and that a concerted and unified effort on the part of New England congressmen could influence national policies and programs vital to maintaining a sound food system in the region. The Commission report identified some of the issues that had important implications for the New England food system.

The Commission report was responsible, at least in part, for bringing about some tangible results, particularly with respect to food assistance programs, consumer education and food production policies. The report also led to feasibility studies for food processing the state and the development of a state food policy endorsed by the governor.

I believe that the most important results of the Governor's Commission on Food were to bring about improved communication and understanding among the various interest groups and a greater public awareness of the issues and their importance to the food system in Massachusetts. Meaningful and effective public and private action to improve the production and delivery of food will depend to an increasing extent upon a well informed population.