THE DEMAND FOR POTATOES IN URBAN CENTERS

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The total per capita consumption of food is fairly uniform from year to year although there have been some changes in the amounts of different kinds of foods consumed. For example, during the last thirty-five years there have been declines in the amount of flour, corn meal, and beef consumed per capita, and increase in dairy products, vegetables, and sugar. In general it may be said that the demand for food as a whole is rather inelastic, but the demand for certain kinds of food may be elastic. The fluctuation in the consumption of staple foods from year to year is less than for those foods that belong in the class of luxuries.

It was the belief that because potatoes are a staple food in the diet and eaten by practically all families, certain facts with respect to demand for potatoes might be discovered, and from such facts principles could be developed which would be beneficial to both producer and consumer. It was also the belief that certain of these principles might be applicable to other similar urban centers. A study of the demand for potatoes in Minneapolis and St. Paul was made in the spring of 1935. Approximately 2,235,000 bushels of potatoes are consumed annually in the Twin Cities. About thirty per cent of these potatoes are shipped in by rail from other states. Some may come in by truck, but it is likely that the consumption of out-of-state potatoes in the Twin Cities does not constitute more than one-third of the total consumption. This raises a pertinent question for the potato producers of Minnesota. Here is a great surplus-potato-producing area, yet consumers buy potatoes raised in other states to the extent of approximately one-third of their total consumption.

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To find some explanation for this situation, the demand for potatoes in the stores and eating places of the Twin Cities was studied during March and April, 1935. Enumerators visited 1,356 retail stores, 20 hotels, 128 restaurants and cafeterias, and 21 hospitals in the Twin Cities and obtained information on potatoes. No information was obtained from stores in the loop district, nor municipal markets of either city, and none directly from consumers. The information was of such character as to portray the demand for potatoes in the Twin Cities. Because of the different purposes served by the sources of information mentioned, the data from each source are analyzed separately.

The quantity of potatoes included in this study constituted about 43 per cent of the consumption in the Twin Cities. The remaining 57 per cent reached the consumers through retail stores in the loop districts, the municipal markets of the two cities, direct purchase from farmers by the resident consumers, and through eating places not included in the study.

The prices quoted are those which were paid at the time the study was made, and may not represent the price for the entire year. The quantities listed cover a year, the estimates being based on the year 1934.

**Demand in Retail Stores**

_{Kind and Quantity of Potatoes Sold}_—Thirteen specified kinds of potatoes were handled by the 1,356 retail stores in this study. Six of these varieties were russets from different states. More Minnesota Russets were sold than any other kind. The Green Mountain ranked second and Washington Russets third. All out-of-state russets amounted to 225,914 bushels, or 26.8 per cent of all potatoes handled. If the Minnesota Russets are included, the quantity of Russets amounted to 400,792 bushels, or 47.5 per cent of all potatoes handled. Of the total quantity sold in 1934, approximately two-thirds were grown in Minnesota.

In this study, stores of five types, from the standpoint of organization, were included. They are the independent, local chain, national chain, cooperative, and local branch. The independent stores were about three times as important as all the other stores combined. There was not much variation in the proportion of different kinds of potatoes handled by the different types of stores except the local chain. This particular chain of stores maintained a warehouse in northern Minnesota and consequently handled a larger proportion of Minnesota potatoes than did any of the other types of stores.