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The Dilemma of Plenty

In the last half of the 1990's, many Americans have enjoyed the benefits of a strong economy—low unemployment, low inflation, relatively low interest rates, and rising incomes. According to the *1999 Economic Report of the President*, the typical U.S. family income is up more than \$3,500, adjusted for inflation, since 1993. We are spending this higher income on a variety of “luxury” goods—fancier computers, more elaborate vacations, home remodeling, and more “luxury” foods.

These “luxury” foods—foods prepared and, in some cases, served outside the home—are becoming an increasingly prominent part of Americans' diets. We now spend 47 percent of our food dollars at fast food outlets, sport events, theme parks, coffee bars, and other eating places.

Even many of our at-home food purchases are prepared outside the home. Much of the growth in food-at-home spending comes from time-pressed consumers picking up fully prepared entrees and side dishes from their local supermarkets. According to *Takeout Business*, the top 25 supermarket providers of “meal solutions” (fully or partially prepared foods) boosted their sales of these items by 36.2 percent in 1998.

This increase in the convenience and services provided by the food industry contributed to the rise in food marketing costs. In 1998, marketing costs for U.S. farm foods grew 4.8 percent, outpacing the general inflation rate of 1.6 percent. The number of foodservice workers continued to increase, while the additional labor needed to prepare “meal solutions” raised employee hours relative to output and lowered labor productivity in foodstores.

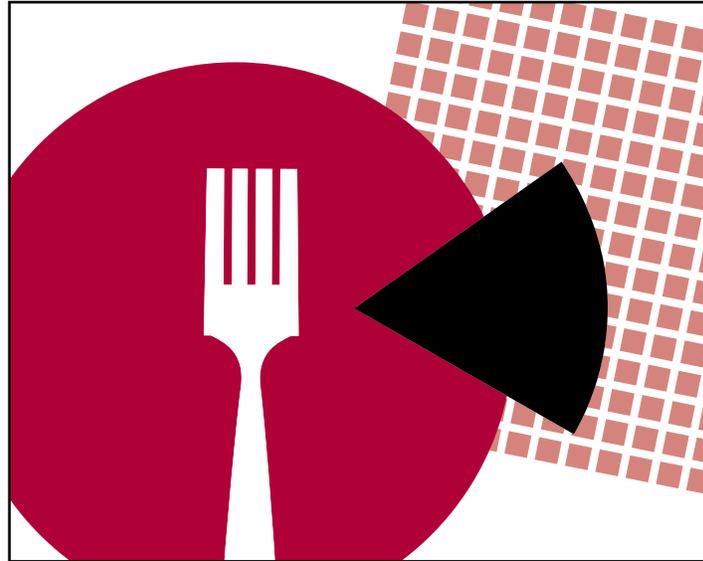
A strong U.S. economy also finds Americans spending their rising incomes on French wines, Canadian seafood, and other imported foods and beverages. Imports of processed foods grew 5.8 percent in 1998 to a record \$32 billion, and surpassed U.S. exports of processed food by \$2.6 billion.

At the same time that we and many other countries dine on an abundance of various foods, some countries continue to suffer from undernutrition. The United States stands in stark contrast to these nations, especially the countries of Sub-Saharan Africa, where food supplies provide less than 2,200 calories per person per day.

Is the United States' abundance too much of a good thing? In 1958, the U.S. food supply provided 3,000 calories per person per day. Today, that number is closer to 3,800. We may be more wasteful with food, but our waistslines say differently. From 1960 to 1994, the age-adjusted prevalence of obesity in adults increased from nearly 13 percent to 22.5 percent of the U.S. population, with most of the increase occurring in the 1990's. The prevalence of overweight in adults held fairly steady at 32 percent. Alarmingly, obesity rates are also rising among U.S. children. Many of our calories are being consumed via processed foods or foods prepared away from home where we surrender our control over ingredients and serving sizes. As we approach the end of the plentiful 1990's, Americans need to take more responsibility for the foods we eat—both at home and especially away from home.

Rosanna Mentzer Morrison
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Inside...



Food Consumption and Spending

- 2 U.S. Food Supply Providing More Food and Calories**
—*Judy Putnam*
- 13 Most—But Not All—Regions See Food Gains**
—*Stacey Rosen*
- 20 Share of Food Spending for Eating Out Reaches 47 Percent**
—*Annette Clauson*

Food Marketing

- 23 Desire for Convenience Drives Marketing Costs**
—*Howard Elitzak*
- 26 Food-Away-From-Home Sales at a Glance, 1988-98**
—*table prepared by Charlene Price*
- 27 Fewer Food Products Introduced in Last 3 Years**
—*Anthony E. Gallo*

Food Assistance

- 30 Domestic Food Assistance Expenditures Drop Again**
—*Victor Oliveira*

International Marketing Trends

- 32 Processed Food Imports Surpass Exports in 1998**
—*Charles R. Handy*

Information Updates

- 38 Contacting the Experts**
- 40 Recent Reports**