AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
http://ageconsearch.umn.edu
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

FINDINGS

got milk?®

Implications of Generational and Aging Effects

Whymilk.com

As people age, their eating patterns change. The dishes of youth—foot-long hotdogs, spicy Buffalo wings, and beer—are often replaced by broiled fish, baked potatoes, and high-bran cereal as a person's metabolism slows and health concerns become more central to well-being.

Generational effects also shape food choices. People born during the 1920s and 1930s generally grew up eating more typical "American fare"—eggs for breakfast, sandwiches for lunch, and pot roasts for dinner. Younger generations have had more exposure in their early years to McDonald's Happy Meals and the cuisines of Southeast Asia and Latin America brought by America's more recent immigrants. "Generation X" tends to eat away from home more often than their grandparents do.

Aging and generational effects can influence spending on specific food groups. ERS researchers looked at the impact of both of these effects on per capita spending for milk, cheese, ice cream, and other dairy products bought in supermarkets, convenience stores, and other food stores. They found that both the aging of the U.S. population and the succession of the generations are working against at-home spending on dairy products.

Per capita, at-home spending on dairy products, adjusted for inflation, was estimated for eight generational groups, starting with group 1, who were 26-30 years old in 1982, and ending with group 8, who were 61-65 years old in the same year. The analysis followed each generational group over time,

Juries Award Higher Amounts for Severe Foodborne Illnesses

U.S. food firms have a variety of incentives to produce safe products. Firms risk losing sales and reputation if consumers become concerned about the safety of the firms' products. Firms that violate Federal, State, or local food safety laws or regulations may face fines, recalls, or plant closures. And, finally, firms responsible for contaminated food products that make people ill can be sued by the people or their families. Many food poisoning lawsuits are settled out of court, and there is limited information on these settlements because of confidentiality provisions. Thus, the effectiveness of litigation in providing firms with incentives to produce safer food products has been largely unstudied.

To address this research void, ERS researchers analyzed a sample of 175 foodborne illness lawsuits resolved in court during 1988-97. Verdicts and award amounts in court cases are a matter of public record. The researchers found that less than a third of plaintiffs (55 cases) won compensation for their foodborne illness from food processors, restaurants, or other food firms. The "expected award"—the average compensation including the cases in which plaintiffs lost as well as won—granted by juries to plaintiffs in such trials was $41,888.

Injury severity is a major factor affecting an expected award. ERS researchers divided the 175 court cases into three severity categories: 6 cases involved a premature death, 60 cases involved nonfatal injuries severe enough to require hospitalization, and 109 cases involved less severe illnesses.

The expected award for a lawsuit that claimed a premature death as a result of a food poisoning was $183,053, far higher than the expected awards for nonfatal illnesses. However, the award distribution was highly skewed, with the two largest awards accounting for 51 percent of the $7.3 million total awarded in the 55 plaintiff victories. Thus, even if plaintiffs win compensation, they will likely receive less compensation than these estimates. The median award for the 55 plaintiff victories was $25,560.

Jean C. Buzby, jbuzby@ers.usda.gov
Paul D. Frenzen, pfrenzen@ers.usda.gov

This finding is drawn from . . .

Product Liability and Microbial Foodborne Illness, by Jean C. Buzby, Paul D. Frenzen, and Barbara Rasco, AER-799, USDA/ERS, April 2001, available at: www.ers.usda.gov/publications/aer799/

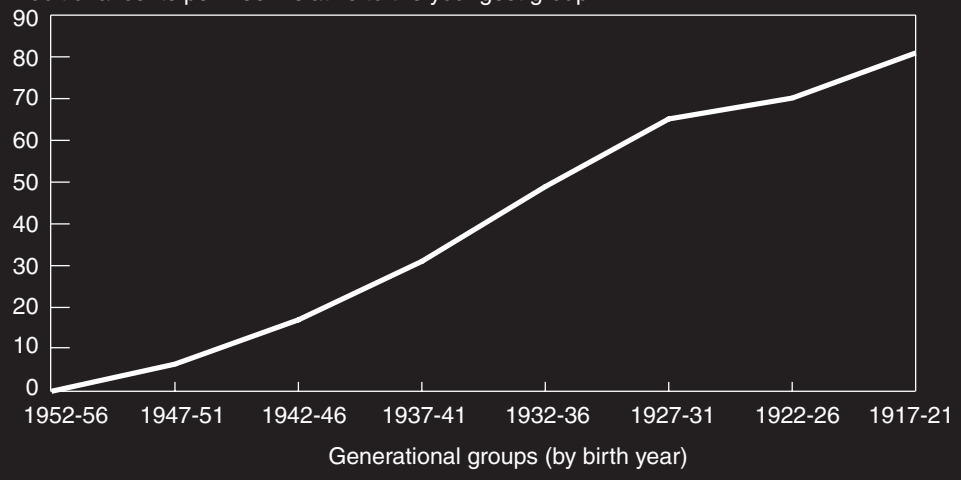
Corbis

Cases of severe food poisoning are more often won by plaintiffs and carry higher awards

Illness severity	Court cases during 1988-97 with award information	Percent won by plaintiff	Expected award per case
	Number	*Percent*	*1998 dollars*
Premature death	6	66.7	183,053
Hospitalized & survived	60	31.7	44,713
Other cases	109	29.4	32,563
Total	175	31.4	41,888

The younger generation spends less per capita on dairy products consumed at home than the older generation

Additional cents per week relative to the youngest group



ending in 1995. In addition, we included 14 age intervals (ages 26-65) in the analysis to capture the aging effect independently from the generational effect.

The research found that older generations spend more on dairy products consumed at home than their children and grandchildren. For example, the second group spent about 6 cents more per capita per week than group 1, while the oldest group spent about 80 cents more. The effect of aging was common to all generational groups. Per capita, at-home spending on dairy products falls as people age: compared with a 26-year old, those age 32-35 spend about 16 cents less per capita per week for dairy products, while those 65 and older spend about 58 cents less.

Taken together, these findings indicate that per capita, at-home spending on dairy products is likely to continue to decline. Population changes and food spending trends in the away-from-home-market must be examined to determine how total spending on dairy products in the U.S. will change over time.

Noel Blisard, nblisard@ers.usda.gov

This finding is drawn from . . .

Income and Food Expenditures Decomposed by Cohort, Age, and Time Effects, by Noel Blisard, TB-1896, USDA/ERS, August 2001, available at: www.ers.usda.gov/publications/tb1896/

How Many U.S. Households Face Hunger…and How Often?

USDA monitors the food security of U.S. households—their consistent access to enough food for active, healthy living—through annual, nationally representative surveys. Statistics based on the December 2002 survey indicate that 89 percent of households were food secure throughout the year. The remaining 11 percent were food insecure at some time during 2002. These households were uncertain of having, or unable to acquire, enough food for all household members because they had insufficient money and other resources for food. Most food-insecure households avoided hunger by relying on a few basic foods, reducing variety in their diets, or getting emergency food from a food pantry. But 3.8 million households, 3.5 percent of all U.S. households, were food insecure to the extent that one or more household members were hungry at least some time during the year because they could not afford enough food.

What about that qualifying phrase, "at least some time during the year?" How often were people hungry in those 3.8 million households? Was this typically a rare, one-time occurrence, or do some U.S. households regularly face hunger? These are important questions for policymakers who design and manage programs to fight hunger. To answer these questions, ERS analyzed survey responses about how frequently households faced various food-insecure conditions during the year.

Findings include:

■ About a third of the households that registered hunger "at least some time during the year" experienced the condition rarely or occasionally—in 1 or 2 months of the year. The remaining two-thirds experienced the condition in 3 or more months of the year, including about one household in four in which hunger occurred in almost every month.

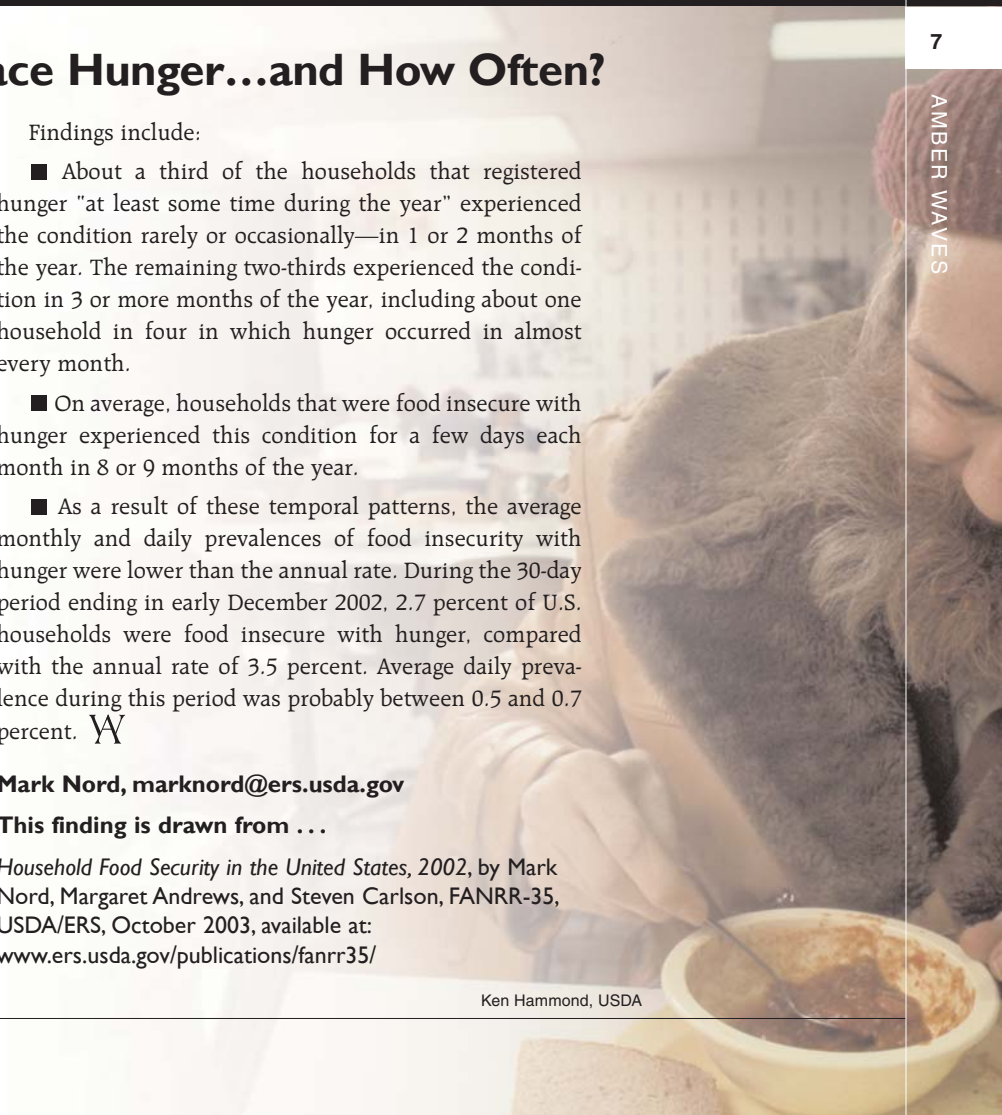
■ On average, households that were food insecure with hunger experienced this condition for a few days each month in 8 or 9 months of the year.

■ As a result of these temporal patterns, the average monthly and daily prevalences of food insecurity with hunger were lower than the annual rate. During the 30-day period ending in early December 2002, 2.7 percent of U.S. households were food insecure with hunger, compared with the annual rate of 3.5 percent. Average daily prevalence during this period was probably between 0.5 and 0.7 percent.

Mark Nord, marknord@ers.usda.gov

This finding is drawn from . . .

Household Food Security in the United States, 2002, by Mark Nord, Margaret Andrews, and Steven Carlson, FANRR-35, USDA/ERS, October 2003, available at: www.ers.usda.gov/publications/fanrr35/



Ken Hammond, USDA