



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.*

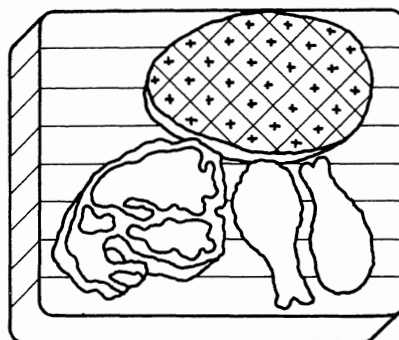
1979 Consumer Meat Expenditures

Kathryn Longen and Joseph Arata
(202) 447-9200

The average retail price for red meat has risen over 250 percent since 1950. Per capita consumption during the period has increased 18 percent, to an estimated 148.5 pounds in 1979. Despite these increases, however, consumers are devoting a smaller proportion of their per capita disposable income to red meat.

Consumers spent approximately \$80 per person for red meat in 1950, 5.9 percent of after-tax income. In contrast, forecasts for 1979 indicate that per person expenditures will exceed \$285, representing less than 4 percent of disposable income.

Per capita disposable income was \$1,355 in 1950. Disposable income in 1979 will average a forecasted \$7,320, 540 percent more than in 1950. Thus, while meat prices and consumption have increased rapidly over the last



three decades, incomes have risen faster. Consumers, therefore, have been able to purchase more red meat (even at the much higher prices) for a smaller share of their income.

Americans are not only eating more meat than they did in 1950, they are eating different kinds of meat. In 1950, poultry comprised 17 percent of all meat consumed. That share will

increase to almost 29 percent in 1979. Similarly, beef consumption now represents approximately 40 percent of the total quantity of meat consumed, up from 33 percent in 1950.

Despite little change in consumption over the past 30 years, pork's share of meat consumption has fallen from 42 to 31 percent.

Beef Expenditures

While the percent of income devoted to total red meat has declined, the share spent on beef has remained relatively constant. Per capita expenditures for beef in 1950 were \$38, 2.8 percent of the average consumer's income. In 1979, that share will be about 2.5 percent, or \$83 per person. This relative stability may be attributed to a 190-percent increase in retail beef prices over the past 30 years and a relative increase in the consumption of beef. Between 1950 and 1979, beef consumption rose 65 percent from 50.1 pounds per person to an estimated 82.7 pounds per person.

Pork Expenditures

Despite a 181-percent increase in pork prices and a small increase in consumption, there has been a decline in the percent of income spent for pork, from 2.5 percent in 1950 to 1.3 percent in 1979. Again, this decline is attributed primarily to higher consumer incomes.

Poultry Expenditures

Lower real prices and the increase in disposable incomes also have resulted in an increase in the per capita consumption of poultry. Poultry consumption per person was 24.7 pounds in 1950, versus an estimated 60.2 pounds in 1979, a 144-percent increase. Per person expenditures have increased from \$15.19 in 1950 to \$43.78 in 1979. The share of income devoted to poultry purchases has fallen from 1.1 percent in 1950 to 0.6 percent in 1979. □

Percent of Income Spent for Red Meat, Beef and Pork, 1950-1979

