



# Dateline ERS

New ERS research and analysis at: [www.ers.usda.gov](http://www.ers.usda.gov)

Economic Research Service

June 2007

U.S. Department of Agriculture

ERS is the main source of research and analysis from the U.S. Department of Agriculture, providing timely information on economic and policy issues related to agriculture, food, the environment, and rural America.



**Kitty Smith**  
**Selected**  
**To Head ERS**

Agriculture Secretary Mike Johanns has announced the selection of Kitty Smith as Administrator of the Economic Research Service.

She will direct research programs and internal management of the agency, following several months as Acting Administrator and a stint as Associate Administrator.

For more information, see:  
[www.ers.usda.gov/bios/kittysmith](http://www.ers.usda.gov/bios/kittysmith)

## Commodity Markets and Trade

ERS Outlook reports provide timely analysis of major commodity markets and trade, including special reports on hot topics. All reports, along with a calendar of future releases, are available at:

[www.ers.usda.gov/publications/outlook](http://www.ers.usda.gov/publications/outlook)

## Amber Waves June 2007

[www.ers.usda.gov/AmberWaves](http://www.ers.usda.gov/AmberWaves)

### *Insidious Consumption: Surprising Factors that Influence What We Eat and How Much*

The prevalence of obesity and diet-related illnesses is rising, despite evidence that Americans are aware of the positive effects of a balanced diet and exercise. Standard tools of economics can only go so far in explaining these trends, but findings from behavioral economics can shed light on several factors which could help economists and policymakers better understand food choices.

### *The Importance of Farm Program Payments to Farm Households*

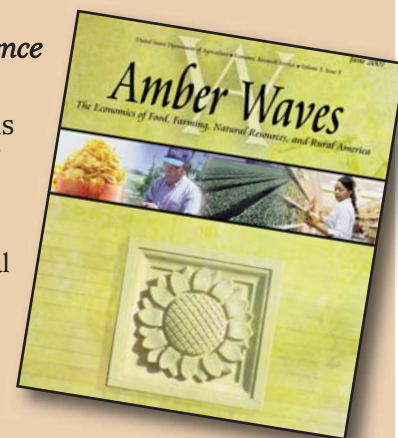
Less than half of all farms—43 percent in 2005—receive farm program payments. Large family farms represent 8 percent of all farms but they receive 58 percent of commodity program payments going to farms. Two-thirds of recipient farms receive less than \$10,000 in payments, accounting for only 7 percent of their gross cash farm income. Payments represent 13 percent of gross cash farm income for those that receive more than \$30,000 in payments.

### *Outbreak Linked to Spinach Forces Reassessment of Food Safety Practices*

This article reviews the 2006 foodborne illness outbreak associated with spinach. It discusses the voluntary Food and Drug Administration guidelines (Good Agricultural Practices) for minimizing microbial contamination of fresh produce and the benefits and costs to farmers of adopting these guidelines. The article concludes with industry strategies to reduce future outbreaks.

### *Struggling To Feed the Family: What Does It Mean To Be Food Insecure?*

About 12.6 million households, or 11 percent of all U.S. households, were food insecure at some time during 2005, meaning that they had difficulty meeting basic food needs because they lacked money or other resources for food. In the decade since the food insecurity data were first collected, USDA has sponsored a research program on the measurement, causes, and consequences of food insecurity. Findings show that statistics on food security are a reliable measure of households' economic access to enough food and a meaningful indicator of household well-being. This information is important both for what it reveals about food hardship and for the picture it provides of the character and extent of material hardship, more generally.





## Households With Very Low Food Security Studied

[www.ers.usda.gov/Publications/EIB25](http://www.ers.usda.gov/Publications/EIB25)

*Characteristics of Low-Income Households With Very Low Food Security: An Analysis of the USDA GPR*

*Indicator* describes characteristics of low-income households that had very low food security in 2005. The U.S. Department of Agriculture monitors the food security of low-income households to assess how effectively the Government's domestic nutrition assistance programs meet the needs of their target populations. USDA seeks to reduce the prevalence of very low food

security among low-income households as part of its strategic plan under the Government Performance and Results Act (GPR).

## Food Retailing: New Playing Field

[www.ers.usda.gov/Publications/ERR42](http://www.ers.usda.gov/Publications/ERR42)

Recent major developments in the U.S. food system include the increasing presence of nontraditional grocery retailers, such as supercenters and drugstores, and competitive responses by traditional grocers, such as supermarket chains. *The U.S.*

*Food Marketing System: Recent Developments, 1997-2006* reports that these developments have contributed to increases in concentration in the grocery retail sector,

changing conventional relationships among retailers, wholesalers, and manufactur-

ers. In such a competitive domestic food market, food companies are attempting to differentiate themselves from the competition by reporting voluntary activities that demonstrate social responsibility and by creating more-tailored advertising campaigns and product offerings.



## Behavioral Economics and Food Choices

[www.ers.usda.gov/Publications/ERR43](http://www.ers.usda.gov/Publications/ERR43)

As obesity has come to the forefront of public health concerns, there is growing interest in finding ways to guide consumers' food choices to be more beneficial for their long-term health. About one in five Americans participates in at least one nutrition assistance program sponsored by the U.S. Department of Agriculture. The study *Could Behavioral Economics Help Improve Diet Quality for Nutrition Assistance Program Participants?* uses behavioral economics, food marketing, and psychology to identify possible options for improving the diets and health of participants in the Food Stamp Program, the Special Supplemental Nutrition

Program for Women, Infants and Children (WIC), and the National School Lunch and School Breakfast Programs.

## Family Farm Report, 2007 Edition

[www.ers.usda.gov/Publications/EIB24](http://www.ers.usda.gov/Publications/EIB24)

U.S. farms are diverse, ranging from small retirement and residential farms to enterprises with annual sales in the millions. Nevertheless, most U.S. farms—98 percent in 2004—are family farms. Even the largest farms tend to be family farms. Large-scale family farms and nonfamily farms account for only 10 percent of U.S. farms, but account for 75 percent of the value of production, reports the *Structure and Finances of*

*U.S. Farms: Family Farm Report, 2007 Edition*. In contrast, small family farms make up most of the U.S. farm count, produce a modest share of farm output, and receive substantial off-farm income. Many farm households have a large net worth, reflecting the land-intensive nature of farming.



### How to get more information ...

More information about the items featured in DatelineERS can be found on our website: [www.ers.usda.gov](http://www.ers.usda.gov) by going to the web address listed in each article. This newsletter is available online at [www.ers.usda.gov/news](http://www.ers.usda.gov/news)