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There's No Such Thing as a Free Lunch

The weather is a topic about which nearly everyone readily comments or has an opinion. Today another topic has emerged to rival it for people's attention. That topic is food costs. Both the weather and food are items which affect everyone, so it should not be surprising that these two subjects share the distinction of being the concern of everyone.

Since most people understand little more about the ingredients affecting food costs than they do about those affecting the weather, it should be worthwhile to analyze briefly the factors that determine food costs. I propose to highlight only a few major factors often overlooked by people who complain about rising food costs.

First, for a number of years agricultural science administrators, in justifying the continuing investment of public funds for research activities, have emphasized the relatively small part of total family income that U.S. citizens spend for food. This has been justifiably attributed in large part to the adoption by our food producers of ideas and practices resulting from agricultural research. People accustomed to hearing this boast now generally believe that food should be cheap.

Second, as recently as about 75 years ago, nearly 90 percent of our population lived in rural communities or on farms, where they either produced food for themselves and a few others or were close to where food was produced. Today only about 5 percent of our people still participate in the production of food, and most of the other 95 percent live far away from food producing areas.

Third, food has today become an important item of international trade and commerce for the U.S. It brings income into the U.S. and is one of the few items of international trade which compete favorably with other nations' products in the world market.

Fourth, with so few people needed to produce the abundant U.S. supply of food, many labor-saving devices and practices are essential ingredients in the agricultural system.

What has all of this to do with food costs? Quite a bit!

As fewer people are engaged in producing food and more people have moved further away from its source, more people have by necessity become involved in preparing and delivering that farm product to the table of the consumer. At the same time, fewer farmers are now required to produce more food to meet the demand. This change has been possible through increased size of farming units, increased use of energy, machinery and chemicals, and the development of higher yielding plants and animals.

The increased use of labor-saving devices and practices, particularly those involving chemicals and mass production techniques, have raised questions in the minds of many about what we are doing to the state and beauty of our resources. As a result of these questions, numerous environmental quality and food safety regulations now enacted have curtailed or banned the use of these aids to food production. In many cases substitutes are not yet available or even conceived, so either production will be reduced, or more expensive labor-intensive practices will be required.

The major point I wish to make is that today many more people are handling the food product between the farmer and the consumer than was the case only a few decades ago. This is necessary in the type of society that exists in the U.S. today. No one denies the right for every person to expect a living wage for his or her endeavors, and the major part of today's food costs are the wages of people who handle the farm product after it is produced. We should not be surprised then to find food costs rising as the level of income of the wage earner increases. Other important cost factors in food production are the rising costs of energy, machinery, transportation, and rising interest rates. Food will still remain a low-cost item compared with other items that Americans purchase for necessity, comfort, and recreation, due in large part to the continuing concern by agricultural research scientists about problems which hinder our food production. However, "there is no such thing as a free lunch!"