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**The Next War?**

The past couple of decades have marked several “wars” for the United States. Granted, most of them are not military conflicts such as the one concluding in Iraq. Several of the wars waged by Americans tend to focus on some negative aspect of society. Take, for example, the “War on Drugs” or the “War on Crime”. With the end of the military conflict in Iraq, America will likely have the time to give attention to a new society-improving “war”. The question is, “What will this next war attack?” One possible target is obesity.

The number of Americans classified as overweight or obese has grown markedly. The Centers for Disease Control and Prevention report that, in 1999, 34% and 27% of Americans age 20-74 years were overweight and obese, respectively. The 61% of Americans classified as being at least overweight in 1999 grew from 56% in the Centers’ 1988-94 study and from 47% in its 1976-80 study.

What has been causing this alarming trend? Likely a number of factors associated with overeating or poor exercise habits. One interesting change in American eating habits over the last 25 years has been the switch to consuming more meals away from home and eating more convenience foods. While this may not be the root cause of the growing obesity trends in the country, food consumption in restaurants does provide consumers with relatively large food quantities at what apparently are acceptable prices. For example, the largest size meal (featuring a beef sandwich) at a rapid-serve restaurant provides roughly half of an average person’s daily recommended caloric intake at a price under \$5.

What are the implications for the beef industry if a war were waged on obesity? In an effort to reduce or avoid the type of high calorie meal mentioned above which features beef, consumers may view less beef consumption as the answer. Interestingly, for this meal, the beef on the sandwich provides only a fraction of the sandwich’s calories, and the sandwich has fewer calories than one of the side items. So, the beef industry may have another difficult time in assuring consumers that beef is part of a healthy diet. It is important to be proactive in delivering this message if the war on obesity gains ground to prevent a decline in beef consumption.

**The Markets**

Last week, slaughter cattle prices were about \$2 lower, with live weight prices in Kansas at mostly \$78 and dressed weight prices in Nebraska at \$124-125. Choice and Select boxed beef prices closed the week at \$0.68 and \$3.29 lower, widening the Choice/Select spread by \$2.61. Steer calf prices in Nebraska and Kansas were about \$1 lower last week compared with the previous week. Prices for 700-800 lb. steers were steady to \$1 higher last week.

	<b>Last Week</b>	<b>Previous Week</b>	<b>Last Year</b>
Kansas Fed Steer Price, live weight (35-65% Choice)	\$77.79	\$79.68	\$63.64
Neb. Fed Steer Price, dressed weight (35-65% Choice)	\$124.30	\$126.65	\$104.16
700-800 lb. Feeder Steer Price, Kansas 4 market average	\$82.27	\$81.33	\$75.52
500-600 lb. Feeder Steer Price, Kansas 4 market average	\$95.57	\$96.53	\$93.41
700-800 lb. Feeder Steer Price, Neb. 7 market average	\$84.68	\$84.08	\$80.59
500-600 lb. Feeder Steer Price, Neb. 7 market average	\$103.06	\$104.46	\$96.89
Choice Boxed Beef Price, 600-750 lb. carcass	\$134.53	\$135.21	\$114.68
Choice-Select Spread, 600-750 lb. carcass	\$14.38	\$11.77	\$9.31