

The Communicator

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University of Idaho
Extension

School of Family & Consumer Sciences

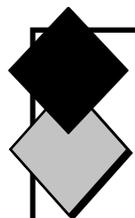
MRDS Committee Coordinates Fall Event with FCS Educators and IDAFCS

The Margaret Ritchie Distinguished Speaker Committee has met twice this year and is planning to invite a nationally recognized speaker on the topic of obesity, healthy eating, and wellness lifestyles. Several of you have attended national conferences on these topics and if you have recommendations for the committee, please forward to committee chair, Sandra Evenson (sevenson@uidaho.edu). Tentative dates are the last weekend in September: Thursday, September 23; Friday, September 24; and Saturday, September 25. In the past, the MRDS has addressed a community audience on Thursday evening, FCS students and the University community on Friday, and the alumni at their annual Saturday brunch.

The Committee anticipates joining forces with two Idaho FCS groups for the fall event. The Idaho Association of FCS is involved in a process to revitalize the organization under the able leadership of Mary Lee Wood. One of their members, Rhonda Richins, a BYU Idaho faculty member, serves as liaison to the MRDS committee. The IDAFCS has tentative plans to dovetail a meeting in conjunction with the MRDS series.

The FCS Extension Educators are also making tentative plans to meet in Moscow for their FCS in-service training during the MRDS week. The group may complete their training earlier in the week, which would allow time for attendance at one or more of the MRDS events and/or the Alumni Brunch.

What a great opportunity for FCS professionals to coordinate efforts and come together around several events. We are hopeful that these tentative plans will become definite in the next few weeks. Stay tuned with your related organization to hear the latest updates; mark your calendars for the last weekend in September.



Director
March 2004



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FCS Leader Plans Retirement

Joan Parr has been an outstanding leader in FCS and as she prepares for the next step in her career, we want to take this opportunity to salute her and her many contributions to Extension and the FCS profession.

Joan received a BS in Home Economics with a Food Administration option from California State Polytechnic College in 1968. Her MS in Home Economics with an Education emphasis came from the UI in 1976. For over 30 years, Joan has been Extension Educator with UI Extension. During this time she has offered educational programs in family and consumer sciences for adult and youth audiences. She worked on campus for six months as an acting extension food safety specialist. She currently serves as interim District III Director.

Joan has enjoyed the people with whom she's worked and the friends she's made over the years. She says, "Being a UI employee located off campus has been exciting and has offered many wonderful opportunities." She took a six-month sabbatical, focused on starting up a shared-use commercial kitchen, and learning about value-added agricultural products. Joan, typical of a life-long learner, has continued to enroll in courses in order to update her skills and maintain current knowledge.

Over the course of her career, she has been named FCS Distinguished Alumna, and received numerous other awards. She was selected as a team member for a Rotary International Group Study Exchange to Southern England in 1982.

Joan, those of us who have had the pleasure of working with you, know what a loss we'll experience with your retirement. You will truly be missed. However, we wish you well as you enter this next phase of your career. Enjoy your well-deserved travels.



**Coming
Soon an
Online
Calendar for
Youth
Programs**

March 2004							
month	Sun	Mon	Tue	Wed	Thu	Fri	Sat
week	29	1	2	3	4	5	6
week	7	8	9	10	11	12	13
week	14	15	16	17	18	19	20
week	21	22	23	24	25	26	27
week	28	29	30	31	1	2	3
week	4	5	6	7	8	9	10

A new calendar will soon be available on the UI website that will allow anyone to locate UI youth programs being offered in the state. The website will be maintained by Kris Kilgore in the state 4H office with backup from Debra Rumford in FCS. A group of educators in the state have been working for the past eighteen months to bring the calendar into existence. Previously, no central coordination of youth programs (K-12) existed. UI Boise Center Dean Trudy Anderson and State 4H Director Arlinda Nauman have spearheaded the effort. They will demo the website to representatives of selected youth programs on March 29. Their goal is to have the website operational by late spring. More information regarding how to submit your event and how to access the web page will be available soon.

Dietetics Receives Continued ADA Accreditation

On going monitoring of program outcomes and goal achievement is an essential component of continuous quality improvement. Kudos to FCS Dietetics faculty and their efforts toward quality dietetics education in the School.

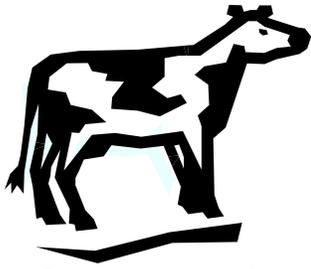
During its February 2004 meeting, the Commission on Accreditation for Dietetics Education (CADE) of the American Dietetic Association accepted the Program Evaluation Document for the Coordinated Program in Dietetics at the UI and continued the accreditation status of the Program. The CPD is accredited for an enrollment of 28 students annually at the baccalaureate level.

The next review and site visit is scheduled for 2007. Congratulations to the Coordinated Dietetics Program and its faculty.

Reminders

UI Extension Annual Conference, "Sharpening the Tools in Your Tool Box" to be held April 19-22, 2004 at the Doubletree Hotel in Boise.

Annual Conference: Proposals *must* be submitted by Wednesday, March 31, 2004. Proposals *must* be submitted by email as an attached file to the following email address: sjohnson@uidaho.edu. Non-email submissions cannot be accepted. There is an expectation that an Impact Statement be provided for all accepted posters.



More on BSE and the Safety of the U.S. Beef Supply: Announcement of Additional Firewalls

On January 26, 2004 (after the press deadline for the February 2004 issue of *The Communicator*), Health and Human Services (HHS) Secretary Tommy G. Thompson announced several new public health measures, which will be implemented by the Food and Drug Administration (FDA), to strengthen the existing firewalls that protect Americans from exposure to the agent thought to cause bovine spongiform encephalopathy (BSE) and that help prevent the spread of BSE in U.S. cattle.

The existing multiple firewalls, developed by both the U.S. Department of Agriculture (USDA) and HHS, have included:

- Cattle import controls (started in 1989).
- Surveillance of the U.S. cattle population by USDA for the presence of BSE (this led to the finding of the BSE cow in Washington state on December 23, 2003).
- An animal feed ban implemented by FDA in 1997, which prohibits the feeding of most mammalian protein to ruminant animals, including cattle.
- Banning bovine tissues known to be at high risk for carrying the agent of BSE from the human food supply regulated by USDA.
- A contingency response plan to contain the potential for any damage from a BSE positive animal (this plan was implemented immediately upon the discovery of the BSE positive cow).

The two newly announced safeguards include:

- HHS will ban from human food (including dietary supplements) and cosmetics a wide range of bovine—derived material so that the same safeguards that apply to meat products regulated by USDA also apply to food products that

Food Safety

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FDA regulates. Specifically the following materials will be banned:

- Any material from "downer" cattle. ("Downer" cattle are animals that cannot walk.)
 - Any material from "dead" cattle. ("Dead" cattle are cattle that die on the farm, i.e. before reaching the slaughter plant.)
 - Specified Risk Materials (SRMs) that are known to harbor the highest concentrations of the infectious agent for BSE, such as the brain, skull, eyes, and spinal cord of cattle 30 months or older, and a portion of the small intestine and tonsils from all cattle, regardless of their age or health.
 - The product known as mechanically separated beef, a product which may contain SRMs. Meat obtained by Advanced Meat Recovery (an automated system for cutting meat from bones), may be used since USDA regulations do not allow the presence of SRMs in this product.
- FDA will also prohibit certain currently allowed feeding and manufacturing practices involving feed for cattle and other ruminant animals. This rule is designed to lower even further the risk that cattle will be purposefully or inadvertently fed prohibited protein. These additional measures will further strengthen the 1997 animal feed ban. (The feeding of such protein to cattle was the route of disease transmission that led

to the BSE epidemic in United Kingdom cattle in the 1980s and 1990s.)

- The rule will eliminate the present exemption in the feed rule that allows mammalian blood and blood products to be fed to other ruminants as a protein source. Recent scientific evidence suggests that blood can carry some infectivity for BSE, according to the FDA.
- The rule will also ban the use of "poultry litter" as a feed ingredient for ruminant animals. Poultry litter consists of bedding, spilled feed, feathers, and fecal matter that are collected from living quarters where poultry is raised. This material is then used in cattle feed in some areas of the country where cattle and large poultry raising operations are located near each other. Poultry feed may legally contain protein that is prohibited in ruminant feed, such as bovine meat and bone meal. The concern is that spillage of poultry feed in the chicken house occurs and that poultry feed (which may contain protein prohibited in ruminant feed) is then collected as part of the "poultry litter" and added to ruminant feed.
- The rule will ban the use of "plate waste" as a feed ingredient for ruminants. Plate waste consists of uneaten meat and other meat scraps that are currently collected from some large restaurant operations and rendered into meat and bone meal for animal feed. The use of "plate waste" confounds FDA's ability to analyze ruminant feeds for the presence of prohibited proteins, compromising the Agency's ability to fully enforce the animal feed rule.
- The rule will further minimize the possibility of cross-contamination of ruminant and non-ruminant animal feed by requiring equipment, facilities, or production lines to be dedicated to non-ruminant animal feeds if they use protein that is prohibited in ruminant feed. Currently, some equipment, facilities, and production lines process or handle prohibited and non-prohibited materials and make both ruminant and non-ruminant feed—a practice that could lead to cross-contamination.

FDA will step up its inspections of feed mills and renderers in 2004 to provide a further layer of protection against BSE.

Source: "Expanded "Mad Cow" Safeguards Announced to Strengthen Existing Firewalls Against BSE Transmission," *FDA Press News Release*, Monday, January 26, 2004, <http://www.hhs.gov/news/press/2004pres/20040126.html>.

Key words: food safety, meat and poultry.



Americans Are Concerned About BSE, But Think Beef is Safe

A survey conducted by the NPD Group, a market information company, in late December 2003 found that 72 percent of consumers were concerned about mad cow disease (BSE) during the days that followed news about the BSE cow in Washington State. The week earlier, before the news broke, 57 percent of respondents described themselves as being concerned.

Nonetheless, survey participants also indicated that their confidence in the U.S. food supply had risen. Fifty-three percent said they regard the foods sold in restaurants as being safe, a five-point increase from a survey conducted before the mad cow situation made headlines. Seventy percent expressed confidence in the food sold in supermarkets, a six-point jump.

The findings were borne out in NPD's sales assessment for the week ending December 29, the week in which the USDA released the finding of a BSE-positive cow. Total industry sales were higher than for the same period in 2002 by five percentage points, the strongest gain in a year and a half, according to NPD.

"Americans' concerns don't necessarily translate into a change in behavior, but clearly it's on our radar screen again," said NPD VP Harry Balzer. "As long as the numbers of Mad Cow cases remain

small, it will have a minimal impact on our eating habits."

Source: "The NPD Group Finds Americans Trust Food Supply, Despite Concerns About Mad Cow Disease; NPD Also Reports Restaurant Sales Posted Strong Increase In Spite of Rising Concerns, Press Release, Port Washington, NY, January 6, 2004, http://www.npd.com/press/releases/press_040106.htm.

Key words: food safety, meat and poultry, consumer.

Emerging Pathogen: *Enterobacter sakazakii*



Health professionals are concerned about increasing number of life-threatening infections in infants from the bacterial pathogen *Enterobacter sakazakii* in powdered infant formulas. The World Health Organization (WHO) and Food and Agriculture Organization (FAO) recently published the results of an expert workshop concerning this pathogen.

Enterobacter sakazakii is a bacterium belonging to the family Enterobacteriaceae, which contains a number of bacterial species found in the human and animal gut (coliforms) and the environment. *Enterobacter sakazakii* has been detected in several types of food, but only powdered infant formula has been linked to outbreaks of disease. This pathogen has been implicated in outbreaks causing meningitis or enteritis in infants. In the few outbreaks reported, 20 percent to >50 percent of the infants who contracted the disease died. For survivors, severe lasting complications can result, including neurological disorders. For adults, the disease is significantly milder. Fortunately, this infection appears to be very rare in the United States; *FoodNet* data for 2002 indicates 1 case per 100,000 infants under 1 year, although it is probably under reported.

Enterobacter sakazakii can be present in infant formula as a result of the raw material ingredients, through contamination after pasteurization; or through contamination of the formula as it is being reconstituted by the caregiver just prior to feeding. Powdered infant formula meeting current standards

is not a sterile product and may occasionally contain pathogens. According the WHO/FAO report, "it seems not to be possible, using current technology, to produce commercially sterile powders or completely eliminate the potential of contamination."

Infants (children less than 1 year old) are at particular risk. Among infants, those at greatest risk for *Enterobacter sakazakii* infection are neonates (up to 4 weeks of age), particularly pre-term infants, low birth weight infants or immunocompromised infants. Infants of HIV-positive mothers are also at risk, both because they may specifically require infant formula and may be more susceptible to infection.

The WHO/FAO expert meeting made the following recommendations to FAO, WHO, and member countries.

- Caregivers, particularly for infants at high risk, should be regularly alerted that powdered infant formula is not a sterile product.
- Caregivers, particularly of high-risk infants, should be encouraged to use, whenever possible and feasible, commercially sterile liquid formula or formula which has undergone an effective point of use decontamination step in the preparation of powdered infant formula (such as reconstituting with boiling water or heating reconstituted formula—some concerns with this process include the destruction of heat sensitive nutrients and potential burns to the preparer).
- (Recommendations to the infant food industry and for further research on this emerging pathogen were also identified in the report.)

The U.S. Food and Drug Administration (FDA) and the Centers for Disease Control and Prevention (CDC) do not have specific consumer recommendations for preparation and use of powdered infant formulas. However, there are specific guidelines regarding infant formula preparation and use for health care professionals from CDC <http://www.cfsan.fda.gov/~percent7Edms/inf-ltr3.html> and the American Dietetic Association http://www.eatright.org/Public/NutritionInformation/92_formulaguide.cfm.

Source: Joint FAO/WHO Workshop on *Enterobacter sakazakii* and Other Microorganisms in Powdered Infant Formula, Geneva, 2-5 February 2004, Executive Summary, <http://www.who.int/>

foodsafety/publications/micro/feb2004/en/print.html.

Key words: foodborne disease, bacteria, infants.

Bioterrorism Rules Affect International Mailings of Home Prepared Foods



The recent experience of an international traveler in trying to send foods back to the U.S. points out the need to be aware of the new bioterrorism rules (see "Food Manufacturers Required to Register with FDA," *The Communicator*, December 2003). A U.S. resident traveling in England asked a friend to mail him his excess luggage, including a few sealed bottles of dried herbs and spices, and one of whiskey. However, the U.K. post office could not mail the package because the new Food and Drug Administration (FDA) rule prohibits the mailing of any food or drink to the U.S. as of December 12, 2003, unless the sender has filed "prior notice" with the FDA and gotten permission.

The way the law is written, it allows no minimums and no exemption for personal use, according to a FDA spokesperson. The only exception is for homemade food "made in the sender's personal residence." So a person in a foreign country can bake and send cookies to a U.S. recipient, but not if the cookies were made at someone else's house, unless they first get FDA approval (applications can be made online). Approval must be sought no more than five days before the package is to arrive, and no less than two hours before arrival if the package is arriving by land, four if by air, or eight if by sea. A summary of the rules is at <http://www.cfsan.fda.gov/~pn/pngift.html>.

Source: Loose, C. & McDonough, A. "Sending food to U.S. just got a bit harder," *Washington Post* service as reported in the *Spokesman Review*, Spokane, February 15, 2004; "Prior Notice of Imported Foods, Sending Food Gifts Through International Mail, Selected Excerpts from the Prior Notice Interim Final Rule, Guidance Documents, & Fact Sheets," December 2003, <http://www.cfsan.fda.gov/~pn/pngift.html>.

Key words: international, foods, government.

Storing Kitchen Cupboard Foods



In the March 2003 issue of *The Communicator*, I reported on the article "Storing Kitchen Cupboard Foods" from Alice Henneman's *Food Reflections* newsletter. She has reformatted this information into an attractively illustrated, 5-page PDF file, "Cleaning the Kitchen Cupboard: Toss or Save?," which makes a nice handout. See <http://lancaster.unl.edu/food/CleaningCupboard.pdf>.

Key words: storage, foods, resources.

GMO Aquarium Fish Will Not Be Regulated

Fluorescence genes are often incorporated into genetically modified organisms (GMOs), along with genes for the traits of interest, so that scientists can see the genes were taken up as expected. Entrepreneurs have used the technology to develop a glow-in-the-dark aquarium fish, the Glofish. This is not a food safety issue, but as a tropical fish owner, I was interested to read the Food and Drug Administration's statement on this issue:



"Because tropical aquarium fish are not used for food purposes, they pose no threat to the food supply. There is no evidence that the genetically engineered zebra danio fish marketed pose any more threat to the environment than their unmodified counterparts, which have long been widely sold in the United States. In the absence of a clear risk to the public health, the FDA finds no reason to regulate these particular fish."

Source: "FDA Statement Regarding Glofish," FDA Statement, December 9, 2003, <http://www.fda.gov/bbs/topics/NEWS/2003/NEW00994.html>.

Key word: biotechnology.

Two Decades of Extraordinary Gains for Affluent Americans Yield Widest Income Gaps Since 1929

Recent data from the Congressional Budget Office (CBO) show that the real average after-tax income of the top one percent of the population rose a remarkable \$576,000, or 201 percent, in the 1980s and 1990s, while the average income of those in the middle of the income scale rose \$5,500 and income gaps between the top one percent and the rest of the nation widened dramatically. The new CBO data are the most comprehensive data now available on recent changes in incomes and taxes for different income groups.

The CBO data show that in 2000, the latest year the data cover, after-tax income was more heavily concentrated at the top of the income scale than at any other time in the 1979-2000 period that CBO examined. Other new data from an update of a National Bureau for Economic Research study that cover a longer time period indicate that *before-tax* income was more heavily concentrated at the top of the income scale in 2000 than at any point since 1929 (the NBER study did not consider the effect of taxes).

The new CBO data also include extensive data on changes in federal tax burdens, which cast doubt on a key justification for the tax cuts enacted in the last few years. Tax-cut proponents argued that tax burdens had climbed to high levels in the years before passage of the 2001 tax-cut legislation and needed to be cut sharply. The CBO data show, however, that most Americans' federal tax burdens had, in fact, declined over the previous two decades.

"It's been apparent for several years that those at the very top of the income scale have pulled away from other Americans, and the new CBO data, which show staggering income gains among the most well-off, confirm that trend," noted Robert Greenstein, the Center's executive director. "The very well-off have been big winners on two fronts," Greenstein commented, "as they secured enormous gains in income in both the 1980s and 1990s and then received extremely large tax cuts in 2001 and again this year."

Family Development

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Highest-income Group Has Faster Income Growth, Larger Share of Total Income

The new CBO data show that between 1979 and 2000:

- The average after-tax income of the top one percent of the population tripled (even after adjusting for inflation), rising from \$286,000 in 1979 to \$506,500 in 1989 and \$863,000 in 2000, for a total increase of \$576,000—or 201 percent—over the 21-year period. (The years 1979, 1989, and 2000 all represent the peak years of a business cycle and thus are appropriate comparison years.)

Income Category	Average After-Tax Income by Income Group (in 2000 dollars)		Percent Change 1979-2000	Dollar Change 1979-2000
	1979	2000		
Lowest fifth	\$12,600	\$13,700	8.7%	\$1,100
Second fifth	25,600	29,000	13.3%	3,400
Middle fifth	36,400	41,900	15.1%	5,500
Fourth fifth	47,700	59,200	24.1%	11,500
81 st -95 th Percentile	65,300	88,700	35.9%	23,400
96 th -99 th Percentile	103,600	158,600	53.1%	55,000
Top 1 Percent	286,300	862,700	201.3%	576,400

Source: CBO (For 81st-95th and 96th-99th percentiles, CBPP calculations from the CBO data.).

- By contrast, the average after-tax income of the middle fifth of the population rose just 15 percent, or \$5,500, between 1979 and 2000, reaching \$41,900 in 2000.
- The average after-tax income of the poorest fifth of households rose 9 percent, or \$1,100, over the 21-year period, reaching \$13,700 in 2000.

Income growth was more widespread in the 1990s than in the 1980s, with low- and middle-income households faring better in the 1990s. Among the bottom fifth of the population, for example, after-tax incomes fell in the 1980s but increased in the 1990s. Yet while low- and middle-income households registered income gains in the 1990s, the most affluent households secured far more dramatic gains, and income disparities widened further.

Because incomes grew fastest among the most affluent, this group's share of total national income grew as well.

- In 2000, the 2.8 million people who made up the top one percent of the population received more total after-tax income than did the 110 million people who made up the bottom 40 percent. In 1979, in contrast, the top one percent received less than half as much total income as the bottom 40 percent.
- Data from the NBER study referred to above that covers a longer period and examines before-tax income show that the top one percent of the population commanded a larger share of the nation's before-tax income in 2000 than at any time since 1929, some 71 years earlier.

Federal Tax Burden Falling Prior to Administration Tax Cuts

Contrary to claims that taxes were at or near record levels before the 2001 tax cut, the CBO data show that most Americans paid a smaller percentage of their income in federal taxes in 2000 than in 1979. Among the middle fifth of families, for example, the percentage of income paid in federal taxes (including income, payroll, and excise taxes) dropped from 18.6 percent of income in 1979 to 16.7 percent in 2000, the lowest level of the entire 1979-2000 period. Similarly, the top one percent of taxpayers paid a smaller percentage of their income in federal

taxes in 2000—even before passage of any of the recent tax cuts—than in 1979.

The CBO data also show that before-tax incomes shot up faster among the top one percent of the population during the 1990s, when their federal taxes were increased, than during the 1980s, when their federal taxes were reduced. These results—and the fact that investment and productivity growth accelerated in the 1990s—are inconsistent with claims that tax increases for high-income households thwart economic activity.

In both the 1980s and the 1990s, the CBO data show, the growth in income disparities primarily reflected changes in before-tax income, and hence in the private economy. However, federal tax policy changes had an impact on income disparities in both decades, exacerbating the growth in income disparities during the 1980s and narrowing that growth in the 1990s. Tax policy changes, in fact, are one reason that growth in after-tax income was more broad-based in the 1990s than the 1980s.

Developments Since 2000 both Widened and Narrowed the Income Gap

The CBO data do not reflect the impact of the 2001 and 2003 tax cuts, which will further widen income disparities. The Urban Institute-Brookings Tax Policy Center has reported that the top one percent of the population will receive an average tax cut this year of \$26,300 and that those with incomes exceeding \$1 million will receive an average tax cut of \$113,000. In contrast, the average tax cut for those in the middle fifth of the population is \$680.

The CBO data also do not reflect the large declines in capital gains income and CEO salaries that have occurred since 2000, which likely reduced average incomes at the top of the income scale. On balance, however, it appears that by historical standards, those at the top of the income scale continue to receive an exceptionally large share of the nation's income.

Source: Center on Budget and Policy Priorities report, "The New, Definitive CBO Data on Income and Tax Trends," <http://www.centeronbudget.org/9-23-03tax.htm>.

Key words: income, taxes, poverty.

Poverty Increases and Median Income Declines for Second Consecutive Year

Current census data show that poverty increased and median household income fell in 2002 for the second consecutive year. The number of poor people increased by 1.7 million to 34.6 million; the poverty rate rose from 11.7 percent to 12.1 percent; and median household income fell by \$500, or 1.1 percent, to \$42,409. There were 3 million more poor people in 2002 than in 2000, the last year before unemployment began to rise.

In addition, those who were poor became poorer on average. The poverty rate—the percentage of people with incomes below the poverty line—was lower in 2002 than in most other years of the 1980s and 1990s, although higher than in most years of the 1970s. But the basic measure of the depth, or severity, of poverty—the average amount by which the incomes of those who are poor fall below the poverty line—was *greater* in 2002 than in any other year on record, with these data going back to 1979.

The rise in poverty and decline in median income primarily reflect the increase in unemployment in 2002. The unemployment rate averaged 5.8 percent in 2002, up markedly from 4.7 percent in 2001 and 4.0 percent in 2000.

Increases in Poverty Rates

Among the findings from recent Census Bureau data are the following:

- Poverty rose among the four basic measures of child poverty, with the increase in three measures being large enough to be statistically significant. The increase in one measure—the poverty rate for all children under 18—was not large enough to be statistically significant.

The *number* of such children who were poor rose 400,000, an increase that *was* statistically significant. The increase in the poverty *rate* for all children under 18—from 16.3 percent to 16.7 percent—fell just short of being large enough to pass the statistical significance test.

In addition, the increase in the poverty rate among *related* children under 18—another ba-

sic measure of child poverty—was significant. This rate increased from 15.8 percent to 16.3 percent.

- Increases in poverty were largest among blacks. The black poverty rate rose from 22.7 percent in 2001 to 24 percent in 2002, and the number of blacks who were poor increased by 500,000 or 700,000, depending on which definitional category of blacks is used.
- The number of poor Hispanics increased by 600,000, a statistically significant increase. The Hispanic poverty rate increased from 21.4 percent in 2001 to 21.8 percent in 2002, but this increase was not statistically significant.
- The poverty rate for married families also increased significantly, although it remains far below the poverty rate for female-headed families.
- Nearly two-thirds of all poor families with children included a worker in 2002. These individuals typically work a significant amount. In 2001, workers in poor families with children worked an average of 44 weeks per year, and an average of 41 hours during the weeks in which they were employed.

Increases in the Depth of Poverty

- The average amount by which people who were poor fell below the poverty line was \$2,813 in 2002, greater than in any other year since 1979.
- The average amount by which people who were poor fell below the poverty line has increased sharply since 1996, and was 23 percent larger in 2002 than in 1996, adjusting for inflation.
- The number of people who live in severe poverty—that is, who have incomes below half of the poverty line—increased by 600,000, to 14.1 million. This increase was statistically significant.

Changes in Median Income

Median household income fell by \$500 between 2001 and 2002, or 1.1 percent. The drop in median income was concentrated among minorities.

- Among black households, median income fell 2.5 or 3 percent, a drop of \$762 or \$913.

- Among Hispanics, median income fell 2.9 percent, or \$996.
- Among Asians, median income fell between \$1,862 and \$2,470, depending on which definitional category of Asian is used.

Hardship Among the Poor

In addition to its normal data on poverty and income, the Census Bureau also reported on a limited set of measures of consumption and expenditures. This report—which is mostly limited to data from 1998 but also includes some energy consumption data from 2001—shows that the living conditions of the poor were notably worse than those of higher-income groups in 1998. For example, the report shows that poor families were almost 2.5 times as likely as higher-income families to have been unable to pay their rent or mortgage at some point in the 12 months before being surveyed and 2.5 times as likely not to have gone to a doctor when they needed one.

According to the Census, the report is intended to expand the understanding of the nature of poverty in the United States by complementing the official income-based measures of poverty. Unfortunately, the report does not include discussion of other more recent and more important indicators of material well-being, such as food insecurity and housing and child care affordability, that would provide a fuller picture of the nature of poverty in the United States.

- A recent report by *Child Trends* found that 40 percent of poor single-parent working mothers who paid for child care in 2001 paid at least half of their income for child care; an additional 25 percent of these families paid between 40 percent and 50 percent of their income for child care.
- Recent data from the Centers for Disease Control and Prevention show that in 2002, some 36.8 percent of poor adults aged 18–64 were uninsured, as opposed to 10.8 percent of adults aged 18–64 with incomes above twice the poverty line. Among children, 14.5 percent of poor children were uninsured, compared to 5.3 percent of children with incomes above twice the poverty line.

- In 2001, 44.5 percent of poor households with children experienced either food insecurity or hunger at some point during the year.
- A recent study by the Harvard Joint Center for Housing Studies found that in 2001, the number of households in the poorest fifth of the population that paid more than half of their income for housing rose to **10.6 million**.

Weaknesses in Safety Net Contribute to Poverty

While the increase in poverty primarily reflects developments in the economy, weaknesses in the safety net—particularly in the temporary federal unemployment benefits program—also contributed to it. In 2002, some 2.2 million workers exhausted all of their unemployment benefits before finding a job and consequently received neither a paycheck nor an unemployment check for a period of time. Many of these individuals and their families are likely to have fallen into poverty. One reason their unemployment benefits ran out before they were able to find work is that the temporary federal unemployment benefits program that Congress established last year to aid long-term unemployed workers and their families during the economic slump is much more limited and offers significantly fewer weeks of unemployment assistance than the comparable program that Congress established during the economic slump of the early 1990s.

In addition, data from the U.S. Department of Health and Human Services show a steep decline in the proportion of very-low-income families with children that receive cash welfare benefits. In the mid-1990s, about eight in every ten families poor enough to qualify for cash welfare benefits received them. By 2000, the last year for which HHS has provided these data, only five of every ten families this poor received these benefits. Given that welfare caseloads continued to decline as poverty increased, data for 2001 and 2002 will show further declines. Census Bureau data confirm that cash welfare benefits did less to reduce poverty in 2002 than in any year since at least 1989.

Source: Center on Budget and Policy Priorities, <http://www.cbpp.org/9-26-03pov.htm>.

Key words: income, poverty.

Low-Carb Craze

Has the low carb craze taken over America? According to a survey conducted in December 2003 by The Valen Group, a Cincinnati-based consulting firm, more than 59 million Americans or 30 percent of U.S. adults are on some type of low-carb diet. No wonder restaurants and food manufacturers are promoting “low-carb” foods including breads, pasta, cereals, cakes, cookies, and even beer. There was even a two-day business conference held in Denver on January 22-23, 2004 that discussed the opportunities and risks in the low-carb manufacturing and retailing industry. This conference was hosted by LowCarbiz, a weekly trade newsletter of the Low-Carb industry. They estimated that total sales of low-carb products and services in 2003 will surpass \$15 billion. They also reported that low-carb products are being introduced at a rate of almost three products every day. Their website is www.lowcarb.biz. One of the speakers at this conference estimated that their sales of low-carb products increased 280 percent in the first six months of 2003.

There are a number of questions that have arisen concerning low-carb products:

- How many grams of carbohydrates can a food have and still be labeled “low-carb”?
- What is used to replace the carbohydrate?
- Is a low-carb food also low calorie?
- What are net effect carbs?
- Are low-carb foods low in cost?
- How do the low-carb foods taste?

How many grams of carbohydrates can a food have and still be labeled low-carb? The answer is that there is no official definition of low-carb. The meaning of low-carb foods varies among food manufacturers. The Food and Drug Administration is expected to define “low carbohydrate” as part of its efforts to combat obesity. However, any proposal could take months to implement.

Foods that are used to replace carbohydrate are sugar substitutes (sugar alcohols and artificial sweeteners), fiber, protein, and fat. Currently, food labels list the grams of total carbohydrates. However, some of the food manufacturers have started subtracting carbs from fiber and sugar alcohols. Since they believe these items don’t cause a rapid

Nutrition Education

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increase in blood sugar, they subtract them from the total carb count. The resulting or “net carbs” are usually listed on front of the packages.

Atkins Nutritionals, a company founded by the late Dr. Atkins, came up with the term “net carbs” and has developed more than 100 low-carb food products. If you look at an Atkins Nutritional’s Cookies ‘n’ Crème Advantage Bar, it contains 22 grams of total carbs and 220 calories. However a label on the front of the package claims that it contains just 2 grams of net carbs. Those individuals who are monitoring just their carbohydrate intake, and focusing on just “net carbs” may feel this gives them freedom to indulge and not worry about calories. This is very similar to what happened when low fat products were initially introduced. People thought that they could eat unlimited quantities of low fat foods.

Can we disregard the carbohydrate from sugar alcohols and fiber? It’s important to realize that sugar alcohols contain calories, around 2 calories per gram instead of 4 calories for cane sugar and fiber does slow the digestion of fat. However, Kathy Isoldi, RD, coordinator of nutritional services at the Cornell Comprehensive Weight Management Center, states that “you can’t say that these carbohydrate and sugar calories don’t exist; they do. You do save some calories and avoid a sharp increase in blood sugar but over consumption of sugar alcohols (particularly sorbitol) can result in gas and diarrhea.”

Other ways that food manufacturers have decreased carbohydrate content of their products include: replacing wheat flour with soy flour (higher in protein), soy protein, or wheat protein and adding high fat ingredients. Since protein contains as many calories as carbohydrates (both contain 4 calories/gram) and fat has more than twice as many calories (9 calories/gram), these products end up having either nearly as many calories or more calories than their regular counterparts.

What about the cost? Low-carb doesn't mean a product is low cost. A survey of various low-carb products revealed that one low-carb breakfast cereal cost almost four times as much per serving as regular cereals and Atkins breads cost twice as much as most regular breads.

How do these products taste? Many individuals found that the taste and texture of these low-carb products left a lot to be desired.

The bottom line: Don't be fooled by low-carb products. They won't help a person lose weight; they are not low calorie; they're expensive and they don't taste as good.

Source: www.valengroup.com; www.lowcarb.biz; www.lowcarsummit.com; www.fda.gov; UC Berkeley Wellness Letter, January 2004; Food and Fitness Advisor, February 2004.

Key words: carbohydrate, diet.

Cost of Obesity

A nonprofit group RTI International and the Centers for Disease Control and Prevention evaluated state-by-state expenditures related to weight problems and found that obesity-related medical costs totaled \$75 billion in 2003. The public pays about \$39 billion a year or about \$175 per person for obesity through Medicare and Medicaid programs which cover sicknesses caused by obesity including type 2 diabetes, cardiovascular disease, several types of cancer, and gallbladder disease. This study was published in the January 2004 issue of *Obesity Research*. Researcher Eric Finkelstein stated "we have a lot of taxpayers financing the costs of overweight and obesity for those in public sector health plans. That provides justification for

governments to find cost-effective strategies to reduce the burden of obesity."

A different study, published in the January/February 2004 journal *Health Affairs*, found that the rise in disabilities in Americans was greatest in those that were between the ages of 30-49. They suggested that some possible explanations for rising disability levels were obesity, technological advances in medicine, and changing disability insurance laws. The number of cases stemming from musculoskeletal problems (such as chronic back pain) and diabetes grew more rapidly than those from other problems during the length of the study.

Source: www.obesityresearch.org; www.healthaffairs.org.

Key word: obesity.

U.S. Teens are #1 in Obesity

When teens in the United States were compared to those in 14 other industrialized countries, Denmark researchers found that U.S. teens had the highest rate of obesity. Among American 15-year-olds, 15 percent of girls and 14 percent of boys were obese, and 31 percent of girls and 28 percent of boys were modestly overweight. The heaviest countries were Greece, Portugal, Israel, Ireland, and Denmark.

Factors that caused U.S. teens to be heaviest were their greater likelihood of consuming fast food, snacks, and sugar sodas, and were more likely to be driven to school and other activities. This study was published in the January 2004 issue of *Archives of Pediatrics & Adolescent Medicine*. Another study published in the January 2004 issue of *Pediatrics* found that nearly one-third of U.S. youngsters eat fast food on any given day.

Lithuania had the lowest obesity rates; just 2 percent of Lithuanian girls and 0.8 percent of boys were obese and 8 percent of girls and 5 percent of boys were overweight. Lithuania has fewer fast-food restaurants and its teens have less money to buy snacks and fast food.

Source: <http://archpedi.ama-assn.org>; <http://pediatrics.aappublications.org/current.shtml>.

Key words: obesity, teenagers.

Do You Have Any Missing Money?

Think about your daily routine. Do you regularly get a snack from a vending machine? Do you get a latté or mocha regularly? Do you regularly order from catalogs and then return ordered items? Do you play the lottery every week?

These are examples of “missing money.” To find your “missing money,” write down your regular spending habits. List their daily, weekly, and monthly costs. Then multiply the monthly figure by 12.

Extension educators who completed this exercise found that vending machine sodas at \$.60 per weekday cost \$156 for a year. Tri-weekly mochas cost \$468 a year. A catalog shopper spent nearly \$200 a year on returns. And \$5 a week spent on lottery tickets cost \$260. The educators decided to save some of this money with substitutions. They will purchase sodas on sale at the grocery store and bring them to work. The mocha lover will limit his intake to once a week, saving \$312 a year. What can you do to reduce your costly habits? Identify less expensive alternatives. The money saved will enhance your child's college fund, your retirement, or your family's vacation.

Source: Bischoff, M., Hawkins, M., & Gossett, L., (2003). The case of the missing money. *Dollar Decision\$* curriculum. University of Idaho Extension.

Key words: spending, savings.

Who's Not Making Ends Meet in Idaho

The federal poverty threshold for a family of four is \$18,400. The U.S. Census Bureau lists Idaho's poverty rate at 11.8 percent. However, more than twice as many families (76,343), earn less than \$25,000 a year and are struggling to provide for their families. Twenty-three percent can't afford the necessities listed next. Federal poverty thresholds measure only the poorest of the poor, leaving out many who are not making ends meet.



Family Economics

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Idaho's Basic Family Needs Budget indicates a family of four needs an annual income of \$36,612 to provide very basic necessities. The 2000 Census update indicates that 28 percent of Idaho families earn less than this income.

Idaho Basic Family Needs Budget			
Idaho Family Needs Budget	1 parent/1 school age child	1 parent/1 school age child and 1 toddler	2 parents/1 school age child and 1 toddler
Food	\$314	\$395	\$530
Housing	527	527	527
Transportation	377	426	457
Health care	168	232	253
Child care	144	468	468
Housing, clothing, personal	288	319	364
State, local and federal taxes	334	353	452
Monthly	\$2,152.00	\$2,720.00	\$3,051.00
Yearly	\$25,824.00	\$32,640.00	\$36,612.00
Hourly	\$12.42	\$15.69	\$17.60

Source: Community Action Partnership of Idaho (2004). Making ends meet in Idaho...and who isn't, *2003 Annual Report and Directory*.

Key words: income, poverty.

Five Common Money Mistakes That Women Make

When it comes to matters of money and gender, there are major differences between the sexes. Women live longer on average than men and need bigger nest eggs. They typically have lower lifetime earnings, often due to career interruption to raise children. And then there's the glass ceiling that also can restrict women's career earnings. That combination translates into less retirement savings and reduced Social Security and pension benefits that must last a longer number of years. For that reason, it's important that women build up retirement savings, particularly in their own accounts.

Many women are not as confident as they should be and are too trusting for their own good. As a result, they sometimes end up in bad situations. Perhaps their parents failed to teach them how to handle personal finances and then spouses took control of money matters for them. Many women are saddled with both child rearing and career obligations, and as a result, don't have time to get up to speed on financial matters.

Regardless of the reasons, women who make money mistakes are headed for future trouble. Here are some of the most glaring mistakes that women should avoid:

1) Signing tax returns in haste. Women who sign joint returns with their spouses are at risk if they don't carefully review their returns before signing them. That's because joint and several liability applies generally to all joint returns, which means you are jointly *and* individually responsible for any underpayment of tax that may become due.

2) Opening joint credit accounts without supervising activity. This mistake is similar to signing tax returns without knowing the details, but it often produces more devastating consequences. Any two individuals who apply for and accept terms of a credit account or loan are jointly *and* individually responsible for any debts on the account.

When late payments are made on an account used primarily by one individual, both individuals credit reports are negatively affected. When one individual racks up credit-card charges on a joint account used to start a new business that then fails, the other spouse is liable for all amounts charged up

until the joint ownership ends, regardless of the amount owed and who caused the debt. When authorizing joint credit accounts, individuals should regularly review all activity so that any problems can be spotted and addressed immediately.

3) Not keeping inventory of all financial accounts. Today's two-earner family with kids can have more than 20 different financial and credit accounts, each with a unique account number, user ID and password. Often these accounts are linked with automatic deposit of paychecks into banking accounts. They may also make automatic deductions from checking accounts to pay mortgages or other bills.

If the person controlling all access and activity of these accounts dies, you can't imagine the stress and anxiety the survivor feels. For that reason, create a list of all financial accounts that includes the account owner, number, recent value/amount owed, contact information, user ID and passwords. This list should be kept in a secure location and updated on a regular basis.

4) Authorizing transactions without asking the right questions. Consider this modern day parable: A woman who trusted her stock broker too much wanted to participate in last year's resurgent stock market. She asked her broker to buy shares of an S&P Index fund for her portfolio because she liked what she learned about the benefits of diversification and index funds' below average costs.

When she returned from her travels and reviewed her statement, she learned that her broker bought an S&P 500 Index fund with annual expenses of 1.5 percent, which is the average expense for the mutual fund industry. He could have bought an index fund with expenses as low as 0.18 percent, which is preferable since high expenses sap investment returns.

When she called to sell the shares, she learned that she would be charged a 3 percent back-end sales fee. She fired her broker after learning she should always ask questions about fees and expenses before authorizing any investment purchase.

5) Not having your own credit history. Women who lose a partner know the importance of having their own credit and a credit rating. All too often, a sudden loss or broken relationship can thrust a

spouse with no credit history into a world that requires a positive credit history to survive financially.

The mistake of trusting fate can put a woman into a position of having no access to a credit card or the financial means to get one with reasonable terms. Before the need arises, and when it's easier and less stressful to do, individuals should get at least one credit card in their own name and use it on a regular basis. Keeping a credit account in use and current will help to build a credit history that could be very useful one day.

Source: Adapted from Martin, R. (2004, January 20) <http://CBS.MarketWatch.com>.
www.cbs.marketwatch.com/news/story/asp?

Key words: women, financial security.

Instant Cash, Growing Debt

Every year, low-income individuals spend as much as \$5.45 billion a year on check cashing services, payday loans, rent-to-own transactions, and auto title loans. An example is Lisa Engelkins, a single mother with a high school degree and some college credits. She found that a payday loan business led her to a debt spiral that took three years to escape.

It started small—a \$60 loan from a local payday advance outlet. In 1998, she was working as a temp and raising her 5-year-old daughter with unreliable child support. “I’d always heard about these payday advance places, they’re advertised everywhere. I went in to see how it worked, and I saw how easy it was,” she says. She wrote a check for \$60, and received \$49.41 in cash, paying \$10.59 in fees.

A week later, Engelkins was back at Urgent Money Services for another small loan. Within three months, she was a regular customer. To pay basic bills, she would write a check for \$300 and get \$255 in cash (the store charged a \$45 fee for the loan). Two weeks later, the lender would cash the check as agreed. Her \$600 biweekly paycheck cut in half, Engelkins would find herself short again, and return to the storefront for another loan—a cycle that happened 19 times between 1998 and 2000.

Suddenly, she had a bigger problem than the one she’d gone there to fix. “I spent over \$1,200 in fees to keep borrowing for that one \$255 ‘revolving’ cash loan,” she says. “This was really stressful. Most people go in thinking that it’s supposed to help them and they don’t realize until they’re out of it how much of a burden it’s become.”

A Booming Business

The non-bank financial services sector is booming. In 1986, there were 1,350 check-cashing outlets in the U.S. In March 2002, there were 13,000—an increase of more than 860 percent.

Payday advance services, like the one Lisa Engelkins turned to, are growing even faster, from roughly 300 in 1994 to well over 8,000 today.

Why such growth? There’s an insatiable demand for short-term credit. Profits are high and states lack an effective regulatory framework to balance the need for credit with protection of the consumer.

In many areas, it’s not easy to find a bank: Between 1985 and 1995, the number of mainstream bank branches per capita dropped by more than 20 percent—more than half of these closings were in low- and moderate-income neighborhoods. In 2000, almost one in four non-metropolitan areas was serviced by two or fewer banks. Even if there is a local branch, many financial institutions resist offering loans under \$500 (as payday advance companies do), because it costs roughly the same as servicing larger loans, which provide greater returns.

Many households with no credit problems avoid traditional banks because of an inability to maintain minimum balances, distrust, and low literacy or, among immigrants, fear of drawing unwelcome attention.

Seventy-five percent of payday advance borrowers renew at least once. In states that allow unlimited rollovers, a payday loan can carry an annual interest rate of more than 400 percent.

For now, the most important tool in fighting predatory lenders is education and financial literacy. “For the folks who live paycheck to paycheck—and there are many, I’m still one of them—there’s already money management issues to begin with,

payday lending is not going to make it any better at all," says Engelkins.

Source: Johnson, C. (2004, January 12). Nickels, Dimes and Big Bucks. *Connect For Kids* http://www.connectforkids.org/resources3139/resources_show.htm?doc_id=202855.

Key words: creditors, financial literacy.

Idaho Extension Family Economics Education

Identity Theft

The Federal Trade Commission lists Identity Theft as the number one consumer complaint in the U.S. Several Extension educators are educating Idahoans about this problem. Marsha Hawkins, Jerome County Family and Consumer Sciences (FCS) educator, developed PowerPoint slides, an opening quiz, and worksheets she shared with Julia Welch. Julia Welch, Idaho County FCS educator, adapted some of Marsha's slides and developed some of her own. She also designed a retrospective evaluation form. Julia taught Retired Federal workers in Moscow and classes in Grangeville and Lewiston. As a result of good marketing, Julia is receiving additional class requests and will be teaching at the ENP Mini-Conference and the Moscow/Pullman Credit Professionals both in March; and a May class for the AARP Board.

Marsha taught Head Start parents and will be teaching Identity Theft as part of the Extension District III Cabin Fever Cures workshops in Twin Falls and Gooding.

Long Term Care Workshops

Julia Welch and Kathee Tiff, Nez Perce County FCS educator, are teaming with AARP-Idaho to offer *Long Term Care: Planning for Quality of Life* Workshops in Grangeville on April 7, Lewiston on April 6, and Coeur d'Alene on May 1. Topics will include:

- **What are the resources available to me in my community?** A representative from the Area Agency on Aging will teach about levels of care, home-based care services, and community-based care services.
- **Can I get help with my medical costs?** An attorney working for Idaho Legal Aid will discuss financial assistance for those under age

65, what Medicaid covers, property assets, and how they affect eligibility for medical assistance.

- **Should I purchase long-term care insurance?** A senior health insurance benefit representative from the Idaho Department of Insurance will answer the following questions in a PowerPoint presentation: What is long-term care insurance? Will it meet my needs? What does it cover? What about Medicare?

AARP-Idaho is providing direct mail marketing of the workshops to their members in a nine county (Idaho and Eastern Washington) region, providing 20 excellent worksheets in their "Caring for Those You Care About" series, and funding refreshments. Kathee and Julia piloted the workshop during October 2003 in Lewiston. One hundred twenty mid-life and older participants attended. Class evaluations were very positive.

Legal Education Program

I will be leading a team of specialists and educators from five states to develop a Legal Education Program to replace AARP's Legal Check-up seminar. Ada County Extension FCS educator, Beverly Healy, will serve on the team. A new program is necessary because of a management change at the national office of AARP. AARP's new Legal Check-up manager determined states that lack AARP Legal Services Network attorneys to teach seminars, must cease offering the program. This policy change seriously impacted rural states such as Idaho.

The national Legal Education Program Development team will meet in early March to outline and begin developing a new program. Luckily, AARP-Idaho will continue their direct marketing support of Idaho Extension's new Legal Education Program. If you have comments or topics you want included, contact me ASAP.

Financial Champions 4-H project

Cindy Kinder, Camas County 4-H educator, is initiating an innovative teaming of 4-H livestock and money management projects. She believes that youth who sell their 4-H market livestock animals should learn how to manage their profits. Youth taking livestock projects in Camas, Gooding, and Lincoln counties will enroll in *Money Fundamentals*, one of two projects in the new 4-H CCCS *Financial Champions* Curriculum.