



Food Fight!

Reporting on the increasing cost of food

By

Mark McGee

What's something that journalists do, truck drivers do, bosses do, administrative assistants do, dads do, moms do, babies do, kids do, college students do, young marrieds do, grandparents do? You guessed it! Eat. Everybody eats food.

I'm going to take a 'wild' guess that you have noticed the rise in grocery prices during the past few years. Do you think your audience has noticed? You bet they have! So, how are they handling the increase in food costs? Are wage increases keeping up with those costs? Are they having to make tough life choices because of the higher costs?

Sounds like a great news story or series of stories for you. Here's some information that might help with your stories. But first .. a personal perspective.

Personal Food Perspective

I worked at a grocery store and a couple of restaurants while I was in high school and college (starting in 1964), and for a natural food manufacturer decades later after a career in television news. The years between included getting married, raising children, and watching them eat. What that means is we bought a lot of food to consume at home, along with occasional trips to restaurants and fast-food locations.

One thing I noticed between 1964 and 2023 is that the cost of food, whether consuming at home or away from home, rose in cost. I remember working as a 'bag-boy' at a grocery store in high school during the mid-60s and people were complaining about the 'high cost' of food back then as well. How high? Here are some examples from 1964 when I first placed food items into large paper bags for customers —

- A pound of white bread cost 21 cents
- A dozen fresh eggs cost 54 cents
- 10 pounds of potatoes cost 76 cents
- 1 pound of round steak cost \$1.04

- 1 pound of sliced bacon cost 67 cents
- Broiler chickens were 29 cents per pound
- Fresh carrots were 9 cents per bunch
- A 12 oz box of Kellogg's® Corn Flakes was 25 cents
- Half gallon of ice cream cost 79 cents
- Tide® detergent was 19 cents
- 1 pound of Nabisco® Oreo Cookies was 39 cents

My parents had fresh milk delivered to their doorstep every morning from a local dairy. Cost? 53 cents for half-a-gallon. The milk came in glass jars that we returned empty in a small metal container for the 'milk man' to pick up the next day.

How would you like to see some of those prices return to your local grocery store? Not going to happen. Food prices have risen consistently for decades. Any chance prices will come down in the future? Here's the first paragraph in an online story from a year ago —

Inflation continues to drive the cost of groceries higher and higher, according to data from the Bureau of Labor Statistics. Grocery prices in March of 2022 were 10% higher than they were during the same month last year. **Grocery Store Price Comparison**

That was 2022. Fortunately, costs have been going down a little since then. However prices are still rising and more financial pain may be on the way. This story came out just last week —

An 11% increase in gas prices in August fueled a chilling surge in consumer price index inflation, which rose to 3.7% for the year ending last month. That's up from 3.2% in July and nearly twice the Federal Reserve's maximum inflation target of just 2% annually.

Between August's CPI print and core PCE inflation increasing in July for the first time since January, there's no doubt about it: The worst inflation crisis in 40 years, which seemed to be abating earlier in the summer, is heating up again.

Overall average prices have already increased by 16% since President Joe Biden took office, but the disproportionate growth in essentials, which comprise a greater share of budgets for lower-income households, has meant the least privileged have paid the highest burden. For example, the consumer price index specifically for food is up 19% since January 2021, and electricity prices are up 23%. In the last month alone, food and electricity prices increased by 0.2%. Shelter prices, which increased by 0.3% last month and more than 7% over the past year, have also been a major driver of inflation's resurgence.

But the most ominous finding in this latest release from the Bureau of Labor Statistics is that headline CPI rose by more than 0.6% last month. That's the fastest single-month increase since June of last year, when the annual measure peaked at 9.1%. A 0.6% monthly increase translates to a 7.2% annualized rate, or nearly four times what the Fed considers acceptable. [Washington Examiner](#)

That sounds a bit concerning, so let's dive into the numbers and see how we can 'humanize' them for our viewers, listeners, and readers. Remember to tell stories through the lives of *real people*. That's an important part of **Real Journalism**.

Food Price Future

The U.S. Bureau of Labor Statistics reported that food prices increased almost 5% between July 2022 and July 2023. “Food at home” increased by 3.6%. “Food away from home” increased by 7.1%.

Where are food prices going during the next 12-18 months?

Food prices are expected to grow more slowly in 2023 than in 2022 but still at above historical-average rates. **In 2023, all food prices are predicted to increase 5.9 percent**, with a prediction interval of 5.3 to 6.5 percent. **Food-at-home prices are predicted to increase 5.2 percent**, with a prediction interval of 4.4 to 6.1 percent. **Food-away-from-home prices are predicted to increase 7.1 percent**, with a prediction interval of 6.8 to 7.5 percent. Food prices are expected to continue to decelerate but not decline in 2024. **In 2024, all food prices are predicted to increase 2.8 percent**, with a prediction interval of -2.0 to 7.9 percent. **Food-at-home prices are predicted**

to increase 2.1 percent, with a prediction interval of -5.1 to 9.9 percent, and **food-away-from-home prices are predicted to increase 5.1 percent**, with a prediction interval of 2.7 to 7.5 percent. U.S. Department of Agriculture

Oil and food prices have jumped in recent weeks, and wages are still growing strongly in some of the world's biggest economies. The battle to bring inflation down is far from over.

“It would be foolish for any central bank to declare victory,” Randall Kroszner, a former governor of the US Federal Reserve System and now an economics professor at the University of Chicago Booth School of Business, told CNN. CNN Business

New data on consumer confidence shows that Americans are less confident about the U.S. economy, pointing to higher grocery and gas prices.

"Consumer confidence fell in August 2023, erasing back-to-back increases in June and July," Dana Peterson, Chief Economist at The Conference Board, said in the announcement. "August's disappointing headline number reflected dips in both the current conditions and expectations indexes. Write-in responses showed that consumers were once again preoccupied with rising prices in general, and for groceries and gasoline in particular." The Center Square

Here's an interesting quote from an article titled *What Causes Inflation? We Spoke to Former Atlanta Fed President Dennis Lockhart* —

Hedder: What do you think is the most misunderstood or underappreciated aspect of this current inflation situation?

Lockhart: There is a long-held belief that inflation is a monetary phenomenon in the end, but what may be missed is that we currently have a novel set of circumstances that are not entirely monetary in nature.

Non-monetary drivers of inflation

The origin of this inflationary period was a public health shock. That gave rise first to a very sharp decline in employment, then a very sharp rebound in employment, and extraordinary fiscal stimulus. Combined with the fact that Russia invaded Ukraine, which put pressure on energy prices and food prices,

it became an unusual set of circumstances, very little of which can be tied to monetary policy per se.

These are real world factors that are not even entirely economic in nature. This is not your grandfather's inflation. This is a set of novel circumstances that we have not seen before, and the monetary authorities are trying to tackle that with the tools they have, but the tools don't necessarily address every underlying cause of the inflation picture. [Nasdaq](#)

Older people living on Social Security are especially impacted by rising food prices. Be sure to include them in your stories as well —

More seniors are pointing to food costs as an ongoing concern, according to the Senior Citizens League, an advocacy group for older Americans.

"According to our latest survey, 63% rated food costs as the category of spending that increased the fastest in their household," said Mary Johnson, Social Security and Medicare policy analyst at the Senior Citizens

League. "This is up from 58% who reported food costs as their fastest-growing category of spending this time a year ago."

She added, "Food was the leading pain point last year as well." [CBS News](#)

“I Never Thought, at 71 Years Old, That I Would Be in This Position”

An alarming number of baby boomers are living paycheck to paycheck — and even slipping into homelessness. What’s going on?

The aging of America means more old people on fixed incomes are overwhelmed by the high cost of housing and other financial shocks; 'not seen since the Great Depression.' [Wall Street Journal](#)

Lower-income families are also hurt by rising food prices. The Federal Reserve Bank of New York put it this way —

As of December 2022, the bottom 40 percent have the highest year-on-year inflation rate of the three groups, and the inflation rate of the middle-income group is below the national average. It is likely the case that the same rate of inflation represents a greater welfare loss for lower-income than higher-income households because of the former's lower capacity for substituting to less expensive goods, greater liquidity constraints, and larger marginal utility of real income. Federal Reserve Bank of New York

One more from CNN —

Real personal income was flat in July, real disposable personal income (real personal income minus taxes) dropped in July for the first time in 13 months and the personal savings rate dropped in July. Meanwhile, consumer spending jumped in July, according to the Bureau of Economic Analysis. That all suggests that

US consumers may be getting out over their skis with their buying habits.

To be sure, the tight labor market is still driving incomes up, but not as quickly as last year. And the Fed is intent on softening up the labor market to further curb inflation by targeting wages.

So, if spending growth is starting to exceed income growth, how are Americans paying for things? The answer is debt and savings, neither of which is sustainable.

Further evidence of an increasingly stretched consumer can be seen elsewhere. Hardship withdrawals from 401(k) accounts have jumped, retail theft is spiking and retailers report that consumers are increasingly focused on discount brands.

None of this bodes well for future spending, nor do the mandatory student loan repayments set to resume in October. Indeed, following a three-year hiatus, millions of Americans will have to start diverting a part of their

monthly paycheck back to these payments. This could potentially lead to a spending cut of about \$9 billion per month, increasing the probability of recession.

CNN (Opinion)

Most Expensive States

The cost of food items also depends, to some measure, on where you live. Here are some websites you can visit to read more about the cost of food in each state, and some cities. Some of the sites include other spending categories (e.g. housing costs, transportation, etc), so you may want to search for the words “food” or “groceries” if that information is not at the top of the page —

[The Average Cost of Food in the US](#)

[AVERAGE COST OF GROCERIES BY STATE \[2023\]](#)

[States With the Most Expensive Food Prices](#)

[2023 State-by-State Cost of Living Report: The Ultimate Guide to Affordable Living](#)

[Cost of Living Index by State \[Updated June 2023\]](#)

[Top 10 Most & Least Expensive States for Grocery Shopping in the US](#)

Grocery Stores in These 10 States Are Shockingly Expensive

10 Best and Most Expensive US States To Live 2023: The Pricey Paradises

Inflation 2023: Cities Spending the Most — and Least — on Groceries

Explaining Inflation and Food

Last week's newsletter referred to 'inflation' 19 times — most from news articles I used as quotes. Journalists often like to refer to numbers and percentages in their stories, but news consumers aren't as interested. Numbers are often hard to understand and even misleading. Consumers want to know how rising costs really affect their bottom line. So, if you're going to use the term 'inflation' in your reporting, be sure you understand it and can explain it.

Our job as journalists is to take complex stories and present them in ways that are **'clear and easy to understand.'** Understanding the inflation numbers you read in government reports will help you explain what that means to your audience.

Here are several short definitions that might be of some help to your reporting. These come from [Oxford Languages](#) and [Investopedia](#). You can search other sites for expanded definitions —

- Inflation — “a general increase in prices and fall in the purchasing value of money”
- Disinflation — “reduction in the rate of inflation”
- Deflation — “reduction of the general level of prices in an economy”
- Consumer Price Index (CPI) — the monthly change in prices paid by U.S. consumers
- Consumer Price Index for Urban Consumers (CPI-U) — 93% of the U.S. population not living in remote rural areas. It doesn't cover spending by people living in farm households, institutions, or on military bases
- Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) — measures the changes in consumer prices to which certain workers are exposed. The index is primarily used on an annual basis to reflect

changes in the costs of benefits paid to Social Security beneficiaries

- Personal Consumption Expenditures Price Index (PCE) — also known as consumer spending, is a measure of the spending on goods and services by people of the United States

The more you learn about economics the better you understand why consumers are confused by government numbers and percentages. Remember, consumers want to know why something they bought at the store last week just cost them more this week. That's what matters to them — along with how much their income is keeping up with the cost of goods and services. They also want to know how much things will cost next week, next month, and next year. People are living and trying to plan their lives. The better we understand how to give them that information, the better it will be for everyone.

Another thing to keep in mind as you report about inflation is that not everyone buys the same things at the same time. The U.S. Bureau of Labor Statistics (BLS) explains in ‘great detail’ how it figures the Consumer Price Index (CPI). You’ll see that the government’s ‘inflation’ list is a lot more than just the increasing cost of food —

The CPI represents all goods and services purchased for consumption by the reference population (U or W). BLS has classified all expenditure items into more than 200 categories, arranged into eight major groups (**food and beverages, housing, apparel, transportation, medical care, recreation, education and communication, and other goods and services**). Included within these major groups are various government-charged user fees, such as water and sewerage charges, auto registration fees, and vehicle tolls.

[U.S. Bureau of Labor Statistics](#)

When reporting the current ‘inflation’ rate, keep in mind that consumers don’t purchase everything that’s in the government ‘basket’ of goods and services every month. While everyone buys food, not everyone buys the same food items. Not everyone buys a computer, a television, a mobile phone, a car, a house, or goes to college every year. However, the inflation rate is calculated each month using all kinds of goods and services, whether everyone is purchasing those goods and services each month. That’s why food prices may be going up higher than the general inflation rate. That’s important for your audience to know.

One more thing — the Federal Reserve's maximum inflation target is 2% annually. Do you know what that means? It means the Federal Reserve would be happy if inflation increased by 2% annually. That adds up to 20% per decade at a minimum. You can check this [handy little online calculator](#) to see that inflation was often higher than that for each year or decade you want to mention in your report.

Here's a quick example that might help you explain how inflation impacts the cost of real goods and services. These figures are based on U.S. Bureau of Labor Statistics (BLS) information [I found online](#).

I started working in a grocery store in high school in June 1964. For every dollar a person spent on an item in the store that month, BLS reports that same item would now cost \$9.90. That's how inflation compounds over time. Also, keep in mind that the inflation rate of some items is much higher than what's published online. The real cost of food may be a lot higher than we think based on what your audience likes to eat. If they are having to cut back on some of their favorite food items because of cost, make that part of your story!

Consumer Response

Okay, as promised, here are some ideas from an old news manager about how you might cover this story. First, let's get an idea of what families are facing with current food prices. The following information is from a [U.S. News & World Report](#) news article based on grocery prices for a family of four. The story was published in March of this year —

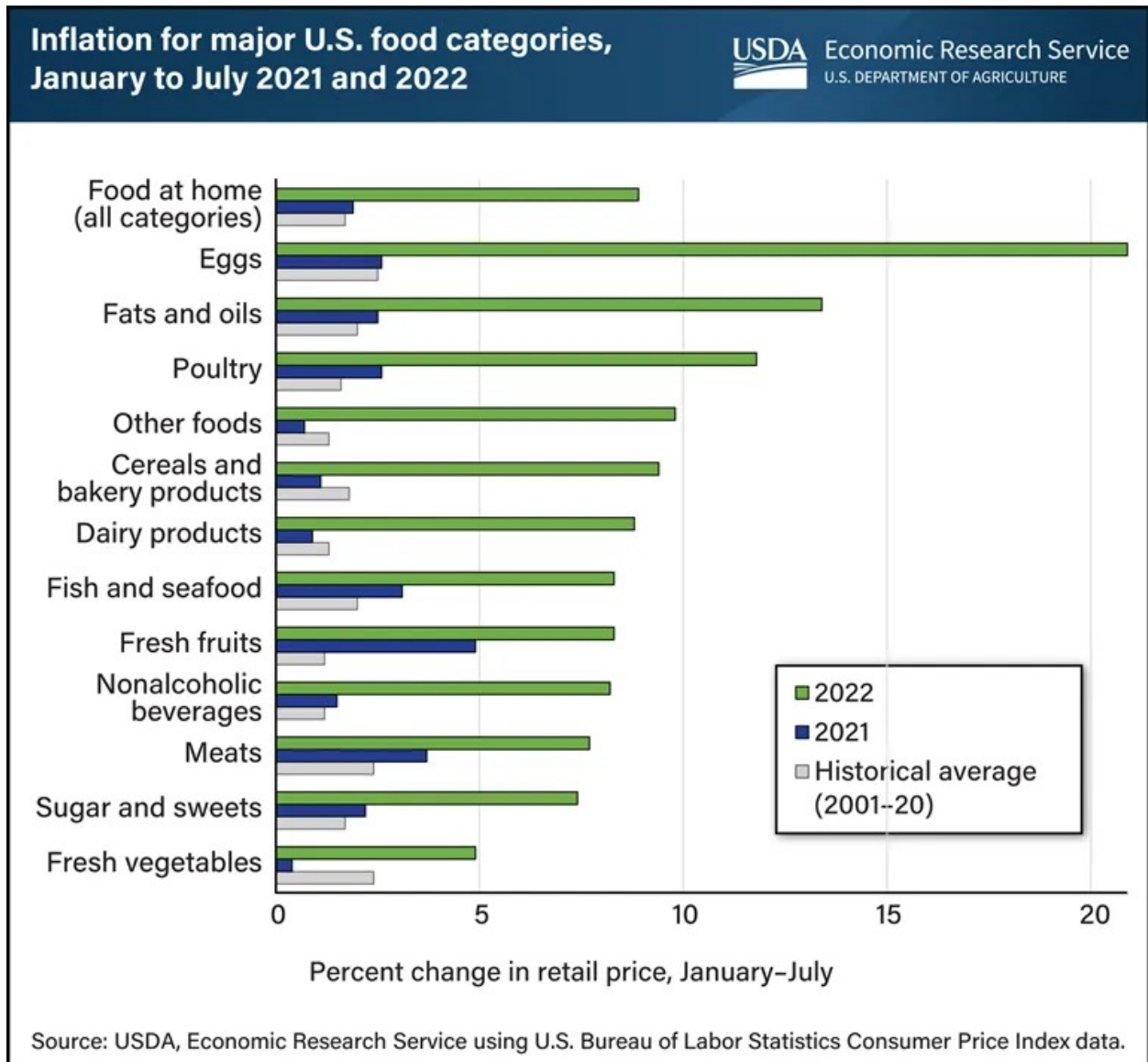
- **Thrifty plan.** For a thrifty budget for a family of four, you would spend \$225.60 a week or \$977.70 a month. The Thrifty Food Plan, incidentally, is used to decide the benefit amounts for the Supplemental Nutritional Assistance Program, or SNAP.
- **Low-cost plan.** For a low-cost budget for a family of four, you can plan on spending \$241.70 a week or about \$1,047.10 a month.
- **Moderate-cost plan.** For a moderate budget for a family of four, you would spend \$301.20 a week for groceries or \$1,304.70 a month.

- **Liberal budget.** For a liberal budget for a family of four, you can plan on paying \$363.70 a week or \$1,910.60 a month.

Ask people in your community how much they spend a week or a month on groceries. Are they spending more or less per month for food now than they did just a year ago? Almost everyone I ask says 'more.' Then ask them how they are responding to those rising food prices. Are they buying fewer food items? Are they buying the same amount of food, but less expensive items? Have they switched from more expensive 'organic' foods to less expensive conventionally-grown food or genetically modified food? Are they eating less food? Are they buying fewer non-food items in order to keep putting food on the family table? If so, which non-food items did they cut? Are individuals and families going out to eat less often? If so, how are they using the money they save from not going out?

When food prices rise, spending on food typically rises as well. However, these expenditures may rise more, or less, than the rate of inflation because households may respond to higher prices by buying less food, limiting purchases of discretionary items, or choosing less expensive alternatives. [U.S. Department of Agriculture](#)

This chart shows inflation for major U.S. food categories in the past couple of years as compared to an historical average (2001-2020) —



Stories to Tell

If you're doing a single story on the subject, you can talk with a variety of people about their personal experience — in addition to reporting official government numbers. Talk with single adults, young marrieds, married with children, empty-nesters, senior citizens, etc. Even one story, if you're given enough time or space, can help your audience understand what other people are facing with food costs and how they're dealing with it.

If you are writing an in-depth article or series, or doing a long-form TV or radio program, follow several people and families for a period of time to see how they are dealing with food costs. Be sure to include single people with a variety of incomes, in addition to families of various sizes and incomes. Also, include senior citizens who depend on Social Security for their primary income each month.

Show them at home, at the store, at work. Listen to them as they talk about the strain food inflation is having on them. Compare what they paid for food at home (groceries) and food away (e.g. restaurants, fast food) this week to what they paid three, six or twelve months ago. A lot of people buy with credit or debit cards, so they can show you their shopping receipts. That's evidential in a reporting situation. It's one thing to 'remember' paying more for an item. It's another to 'show' the increase with printed receipts.

Graphics are powerful tools, so use them. Show your audience how the real rise in food prices is impacting individuals and families. Food prices usually go up higher and faster than the general 'inflation' rate. Graphics are a powerful tool in print, online, and television. I highly recommend using them.

Radio has the power of 'sound.' If you are in radio broadcasting, use natural sound to bolster your copy and the interviews you choose to use. You may not have graphics in your radio report, but you can always point your listeners to your station's website where they can read your story and see the graphics that support your story.

Consider other ways to inform your audience about ways they can save money on food. You might include a weekly (or even daily) ‘how to stretch your food dollar’ segment on newscasts or in online or printed publications. Anchors and reporters can talk with county extension agents, nutrition experts, high school teachers and college professors who specialize in food preparation, etc. Interview students about how they can use what they’re learning in class to make a difference at home. You could also invite your audience to send their recommendations to you for stretching food dollars. Include the best ideas in your reports and interview some of the people who sent them to you.

You could also sponsor events in your community, and cover them for newscasts or publication, where your journalists and experts demonstrate how to make the best use of your audience’s food dollar.

Look for every way you can imagine to include ‘real people’ in *Real Journalism*. Everyone learns more that way. Become known as the station or publication that cares about the real needs of your audience.

Food and Wages

How do increases in food prices compare to increases in wages? This is another subject your audience will find important. Here are some news stories to consider —

The Bureau of Labor Statistics reported food inflation has risen at a faster rate than the broader Consumer Price Index over the previous 12 months. General inflation - as measured by CPI-U, which covers all urban areas - rose 3.2% for the 12-month period ending in July, while the cost of food rose 4.9% during the same period. [Forbes](#)

Rick Kiphut, of Atoka, Tennessee, says weekly groceries for himself, his wife and two teenage daughters cost more than \$200, up from \$150 a couple of years ago. Instead of eating steak two or three times a month, they've cut back to monthly.

Prices of some items, such as eggs, have come off their peak. But, he says, "They seem to have landed at a higher spot."

And dinner at a casual restaurant costs more than \$100, up from \$50 to \$70. So the family's twice-weekly ritual has been sliced in half.

And with fuel and hotel costs elevated, the family decided to forgo their typical summer vacation to Florida beaches or a local campground.

Although Kiphut, a fire chief, says his 3% annual raise may finally be matching inflation, "I never caught up to that 9%" rise in prices last summer. [USA Today](#)

At its current pace, workers' wages aren't set to recover their loss of total purchasing power until at some point in the fourth quarter of 2024, according to Bankrate's new Inflation To Wage Index.

The continued recovery has major implications for Americans' personal finances, with many saving less for emergencies or retirement and taking on more credit card debt to handle inflation. [Bankrate](#)

Many economists, including those at the Federal Reserve, expect the US economy to tilt into a recession later in the year. A recession is defined as a broad economic downturn that typically includes a weak jobs market. That means wage and payroll growth would slow considerably, but not for every worker.

“If you think about a recession caused by rising interest rates, it won’t stop you from aging or needing a knee replacement, so there won’t be much of an impact on demand for health care,” said Llewellyn. “But it would have an effect on transportation, manufacturing, and other industries that are interest-rate sensitive.” [CNN Business](#)

Americans hate the economy because pay hasn't kept up with inflation — and it could stay that way until next year. In an August Quinnipiac [survey](#) of more than 1,800 US adults, 71% described the US economy as not so good or poor — 51% said they thought the economy was getting worse. Many other surveys have reflected a similar sentiment, fueling a discussion in economic circles about what could be driving the apparent disconnect.

One theory is that falling inflation-adjusted wages left many consumers worse off over the past few years. Plus, the stresses of dealing with inflation may have taken a toll of their own. [Business Insider](#)

If you are a journalist covering news *outside* the United States, here's some information that may be helpful in your coverage —

The British Retail Consortium (BRC) reported overall food inflation rose 11.5% in August, down from 13.4% in July.

But annual growth in average total pay only grew by 8.2% from April to June, according to the latest data available from the Office for National Statistics (ONS).

[Sky News](#)

HALIFAX - A report published Thursday says the rising costs of shelter and food in Nova Scotia have contributed to a large jump over the last year in what's considered a living wage in the province. [Info News Canada](#)

Hunt said the government is on track to hit its target of halving inflation by the end of the year but suggested the rate of price rises could spike when the latest figures for August are published in September.

UK inflation reached more than 10% at the end of 2022 because of the soaring prices of goods and services ranging from energy and food to transport and clothing. The prime minister, Rishi Sunak, has pledged to halve inflation, suggesting it needs to fall to about 5% to meet the target.

However, prices have risen more during 2023 than expected by the Bank of England, which has raised interest rates at 14 consecutive meetings in an effort to tame inflation. [The Guardian](#)

Keep in mind that this is a story that has no end. As long as your audience continues to consume food you will have a story to report. You might even consider revisiting some of the same people you profiled for your first story — maybe a year later — to see how they're doing and if they are handling the rising cost of food the same or differently. Follow-up stories of this importance demonstrates your interest in the real lives of real people — that's *Real Journalism!*



[1960s Radio News, © Mark McGee](#)