

THE ECONOMIC COST OF DOMESTIC HUNGER

Estimated Annual Burden to the United States

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**Dr. J. Larry Brown, Harvard School of Public Health
Dr. Donald Shepard, Brandeis University
Dr. Timothy Martin, Brandeis University
Dr. John Orwat, Loyola University, Chicago**

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Executive Summary

In recent years the scholarly community has developed methods to measure “cost burdens,” which are the direct and indirect societal costs of adverse outcomes associated with a particular problem, practice, or illness. Such studies have examined the total cost to households, communities, businesses and government of problems such as alcohol abuse, smoking and obesity.

This report is the first analysis of the total cost burden of hunger in the United States - what it costs the American public to tolerate hunger and food insecurity in our nation. Bipartisan efforts in the 1970s led to policies that resulted in significant reductions in hunger; however, since the 1980s hunger has not only become more severe but, according to an annual measure reported by the federal government, has remained at high levels for at least the past decade. Each year around 35 million Americans live in households that do not get enough to eat.

The personal cost of hunger to a child, or to families who cannot afford to feed their children, might be difficult for many to imagine. This personal cost has been analyzed and discussed in numerous academic and lay publications. But what, we might ask, is the *economic* cost to the nation when we permit so many of our fellow citizens to go hungry? What are the costs of the charity that is required to help families get through another day? What are the costs of impaired educational outcomes that scientific research has linked to children not getting enough to eat? And what is the bill for the mental and physical illnesses that are linked to inadequate nutrition?

This analysis calculates the cost burden of hunger in the United States at a minimum of \$90 billion annually. This means that on average each person living in the U.S. pays \$300 annually for the hunger bill. On a household basis this cost is \$800 a year. And calculated on a lifetime basis, each of us pays a \$22,000 tax for the existence of hunger. And because the \$90 billion cost figure is based on a cautious methodology, we anticipate that the actual cost of hunger and food insecurity to the nation is higher.

Notably, national experts calculate that federal policymakers could end hunger as a serious national problem by strengthening existing federal nutrition programs by about \$10 to 12 billion over current spending. This means that virtually ending hunger in our nation would be far less costly than paying the current annual bill that lets so many people in our country suffer this preventable fate.



Foreword

Only several decades ago, there were millions of people in America suffering from severe malnutrition, some bordering on starvation. Thankfully, our nation mobilized resources and support to greatly reduce this tragedy. Today many people believe that hunger is no longer an issue in America. However, the reality is that in virtually every community there are people who are impoverished and in need, whether they are the working poor, the elderly, or families with children. If we look closely, the face of hunger is all around us, affecting more than 35 million of our fellow citizens. They are not starving, but they do not have the certainty of knowing where, when, or how they will eat their next meal. Many are forced to choose between the daily necessities of life such as paying rent, having adequate healthcare, or buying food.

The mission of the Sodexo Foundation is to be a driving and creative force that contributes to a hunger-free nation. It is for this reason that we commissioned this ground breaking research project on *The Economic Cost of Domestic Hunger*. We believe hunger is a solvable problem and are working to raise the consciousness and the political will of the American people to once again rise to meet the challenge and end it in our country. Hunger in America has a cost far beyond the human suffering. As this research outlines, the cost burden to our country is more than \$90 billion, far more than it would take to ensure that no citizen is at risk of hunger. Admittedly, there is more to ending hunger than providing food for those in need. We have a responsibility to address hunger's root causes; to provide employable skills, affordable health care, child care, and affordable housing among many others.



While people may differ on various policy proposals, none would disagree that hunger has no place in our vibrant democracy. We hope that this landmark study will help the nation engage in a more public dialogue about the issue of the true cost of hunger in our midst, and the concrete and measurable steps that we can take to make America a hunger-free nation.

Stephen J. Brady

President

Sodexho Foundation

