

Dollar Stores Feed More Americans Than Whole Foods

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✓ Fact Checked

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STORY AT-A-GLANCE

- › Dollar stores such as Dollar General and Dollar Tree (which also owns Family Dollar) feed more Americans than Whole Foods
- › Across the U.S., there are now 30,000 Dollar General and Dollar Tree stores – outnumbering Walmart and McDonald’s’ combined – and the chains claim to have their sights on another 20,000 locations
- › Dollar stores target urban neighborhoods and small towns where economic struggles are commonplace, turning these areas into food deserts as they push out smaller, already struggling grocers
- › Driving this trend is the U.S. government’s subsidy of processed food, both through the Farm Bill and through the Supplemental Nutrition Assistance Program (SNAP)
- › Research shows people who consume the most subsidized foods have a 37% greater risk of obesity than those who consume the least

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Dollar stores such as Dollar General and Dollar Tree (which also owns Family Dollar) are becoming a primary source of food for many families. The chains feed more Americans than Whole Foods,¹ which isn't surprising when you consider there are 30,000 Dollar General and Dollar Tree stores across the U.S. – outnumbering Walmart's and McDonald's' combined – compared to 446 Whole Foods locations.

The dollar store chains also claim to have their sights on yet another 20,000 locations. The problem with this trend is that dollar stores typically do not carry fresh food; it's primarily ultraprocessed packaged foods and canned foods, which we know is a recipe for ill health in the long term.

Sadly, dollar stores specifically target urban neighborhoods and small towns where economic struggles are commonplace,² turning these areas into food deserts as they push out smaller, already struggling grocers. As reported by Institute for Local Self-Reliance (ILSR):³

"Although dollar stores sometimes fill a need in places that lack basic retail services, there's growing evidence that these stores are not merely a byproduct of economic distress. They're a cause of it.

In small towns and urban neighborhoods alike, dollar stores are leading full-service grocery stores to close. And their strategy of saturating communities with multiple outlets is making it impossible for new grocers and other local businesses to take root and grow."

Driving this trend is the U.S. government's subsidy of processed food, both through the Farm Bill and through the Supplemental Nutrition Assistance Program (SNAP). This sets the stage for discount stores to monopolize the food market, which subsequently leads to poorer diets, higher disease rates and associated health care costs.

In truth, food subsidies and health care really cannot be separated, as the nation's diet is a primary contributor to chronic disease and therefore drives our health care expenditures. The idea that big box stores and dollar stores are doing Americans a favor by making inexpensive food more available is a twisted one, as it's really just making people sicker.

Racial Discrepancies

ILSR also notes that dollar stores tend to target areas based on race rather than income. Using Tulsa, Oklahoma, as an example, ILSR shows how these stores are congregated in

census tracts with more African-American residents, even though there are low-income Caucasian areas as well.

"One reason for this link might be that dollar stores see an easier revenue stream in places that lack competing grocery stores," ILSR writes. "In the case of Family Dollar, for example, 'Food deserts' are its sweet spot," notes Ann Natunewicz, an analyst at Colliers International.

The absence of grocery stores is, in turn, a direct result of a history of racial discrimination by banks that have been less likely to lend to African American entrepreneurs and by supermarket chains that have tended to bypass black neighborhoods."

How a near-total diet of ultraprocessed food affects health and longevity can be seen in the city's mortality statistics. Life expectancy in north Tulsa, which is predominantly black, is a staggering 14 years lower than that of the south. In an effort to address this disparity, Tulsa's city council has enacted a dollar store ordinance that limits dollar stores in the northern part of Tulsa and provides incentives for full-service grocers instead. As reported by ILSR:⁴

"This is the first ordinance in the country to specifically target dollar stores, and its passage is being felt both locally and nationally. It's marked a new era of political inclusion and grassroots power for the city's African American residents. It's also focused national attention on the growth of dollar stores and inspired other cities and towns to take steps to check their spread.

Who Benefits From Government Food Subsidizes?

In the U.S., 12.4% of the population, some 40 million in all as of 2017,⁵ live at or below the poverty line and rely on a monthly allotment of food stamps through SNAP to cover their food bill. Today, these monies are doled out once a month via electronic benefit transfer (EBT) cards.

Disturbingly, the fastest-growing group of people on food stamps are people who have jobs and work year-round. Ironically, many of them work in the very same big box stores and discount outlets that profit from the SNAP benefits their employees are forced to use due to low wages.

In 2017, the program distributed \$76 billion worth of EBT transfers, and across the country there are about 240,000 retailers approved by the federal government to accept EBT cards (i.e., food stamps).

A 2014 article⁶ in Slate Magazine addressed a little-discussed facet of the food stamp subsidy – which stores actually profit from this program, funded by tax dollars, and how much. As it turns out, this data is actually kept confidential.

"Even basic facts such as how many food stamp dollars go to a particular store in a particular location are not publicly available," Slate notes. "In what stores and neighborhoods are the most food stamp dollars spent? What kinds of foods do those stores promote and sell? What are the store's business and labor practices?"

The answers to those questions might help you see how food stamp subsidies are serving a community – if they're doing what they were meant to do."

Discount Stores Likely Gain the Most From SNAP

The confidentiality of SNAP sales information is in sharp contrast to other government programs, where you can find out how much a participating business is getting paid. What is known, however, is that sales of staple items typically spike on days when SNAP benefits are distributed, both at grocers and discount stores.

Walmart's annual report for 2014 listed cuts in SNAP payments as a potential risk factor for declining sales, as that same year the U.S. government cut SNAP by \$8 billion over the next decade.

And, according to Slate, Walmart likely receives about 18% of all food stamp spending in the U.S., based on the company's own estimates, making it "the biggest single corporate beneficiary of SNAP."⁷ Other players include Target, Costco, 7-Eleven and, of course, dollar stores. Slate notes:

"It's a paradox that the more people are struggling to get by, the more valuable food stamps become for business. In 2009, the CEO of Family Dollar told shareholders that expanding in to the multibillion-dollar food stamp market represented a 'significant opportunity' that would help the company weather the bad economy."

Government Subsidizing Junk Food Drives Up Health Care Costs

As mentioned at the beginning, by encouraging dollar stores and other discount stores to accept EBT, the food stamp program has become a driving force of ill health. Poor people receive money to buy food, but if all that's available in their neighborhood is dollar stores, the food they buy will be limited to ultraprocessed foods that cannot support optimal health.

As a result, they get sick, and must rely on more government aid to receive health care, which then drives up those costs. The U.S. government also subsidizes junk food ingredients – commodity crops such as corn, soy and wheat – over healthy foods via the Farm Bill, despite dietary guidelines calling for healthy portions of fresh fruits and vegetables on a daily basis.

Considering this is what farmers get paid to grow, it's no wonder that processed corn, soy and wheat products such as bread, soda, pizza, pasta, cookies and doughnuts account for a majority of calories in the U.S. diet.

Considering these foods are a primary driver of weight gain, it's also not surprising that people who consume the most subsidized foods have a far greater risk of obesity – 37% greater, according to research published in 2016.⁸

As noted by Integrative Nutrition,⁹ "While the subsidies were initially implemented to support struggling farmers and to secure America's food supply, the subsidies program has unintentionally supported the creation of a health epidemic."

Food Subsidies Cannot Be Separated From Health Care

A September 2017 article¹⁰ in The Conversation by Dariush Mozaffarian, professor of nutrition at Tufts University, hit the nail on the head, pointing out that in order to fix America's health care, we must make food a priority.

Cost is one of the primary challenges of most health care related issues, be it access or the expansion of Medicaid. But changing how care is delivered is never going to solve the problem of how we're going to afford to care for everyone. We really have to shift our focus to food, as poor diet is the primary driver of chronic ill health, both in children and adults.

Research¹¹ has shown as much as 40% of American health care expenditures are for diseases directly related to the overconsumption of sugar (a key staple in processed and ultraprocessed food). Time magazine¹² cites data¹³ showing food insecurity incurs \$77.5 billion in added health care expenditures.

Children in food-insecure homes are also less likely to perform well academically, thereby perpetuating the cycle of poverty. Adding insult to injury, once you have a chronic disease such as diabetes, you're less likely to be able to manage your condition well if you cannot afford real food.

According to Mozaffarian, his research suggests poor diet is the cause of nearly half of all deaths from heart disease, stroke and diabetes in the U.S. "To put this in perspective, about twice as many Americans are estimated to die each year from eating hot dogs and other processed meats (~58,000 deaths/year) than from car accidents (~35,000 deaths/year)," Mozaffarian writes, adding:

"It's hard to fathom how much our country actually spends on health care: currently \$3.2 trillion per year, or nearly 1 in 5 dollars in the entire U.S. economy.

That's almost \$1,000 each month for every man, woman and child in the country, exceeding most people's budgets for food, gas, housing or other common necessities ...

Yet, remarkably, nutrition is virtually ignored by our health care system and in the health care debates ... Traveling around the country, I find that dietary habits are not included in the electronic medical record, and doctors receive scant training on healthy eating and other lifestyle priorities.

Reimbursement standards and quality metrics rarely cover nutrition.

Meanwhile, total federal spending for nutrition research across all agencies is only about \$1.5 billion per year. Compare that with more than \$60 billion spent per year for industry research on drugs, biotechnology and medical devices."

Ultraprocessed Junk Food Is a Sick Idea Making People Ill

About 90% of the money Americans spend on food goes to buy processed food,^{14,15} which matches up nicely with data¹⁶ from the U.S. Centers for Disease Control and Prevention, which suggests 90% of Americans don't eat enough fresh fruits and vegetables to maintain good health.

While that's bad enough, research¹⁷ reveals nearly 60% of the food Americans eat is not just processed but ultraprocessed, defined as:

- Food products containing several ingredients that are not traditionally used in cooking
- Besides salt, sugar, oils and fats, they can include artificial flavors, colors, sweeteners and other additives "used to imitate sensorial qualities of unprocessed or minimally processed foods"
- These ingredients may also be added "to disguise undesirable qualities of the final product"

- Products containing preservatives and chemicals that give them an unnaturally long shelf-life

Less than 1% of daily calories comes from vegetables. Those ultraprocessed foods account for 90% of the added sugar consumption in the U.S., and the dangers of eating too much added sugar have been well-established.

Research has even suggested refined non-vegetable fiber carbs such as potatoes, bagels and breakfast cereal are as risky as smoking, increasing your risk for lung cancer by as much as 49%.¹⁸ The 2015-2020 U.S. dietary guidelines¹⁹ even recommended limiting your sugar intake to a maximum of 10% of your daily calories.²⁰ (No sugar limit was ever included in earlier guidelines.)

The difference between processed foods and ultraprocessed foods in terms of sugar content is quite dramatic. The researchers found that about 2% of the calories in processed foods came from added sugars. By definition, unprocessed or minimally processed contained none. Ultraprocessed foods, meanwhile, got 21% of their calories from added sugars!

Protect Your Health by Eating Real Food

There's no doubt we have serious health epidemics on our hands – and that a majority, if not all of them, are linked to our government's subsidy of junk food over real food, and a system that encourages the use of SNAP benefits in discount stores selling nothing but ultraprocessed food.

There are no quick and easy answers here. All you can do is remember that your diet really is the foundation upon which your health is built, and that eating a processed food diet is a recipe for long-term disaster. Studies have repeatedly shown that real food is more expensive than processed fare, and there's no denying the fact that there are areas where the only food retailers available are dollar stores and gas stations.

Still, if you have access to real food, I encourage you to take the time to learn how to cook from scratch and make the most of any leftovers. Also consider growing some of

your own. To learn more, see my previous article on creating edible gardens in small spaces. I've also written about how you can garden during the winter. This clearly requires a bit more dedication and planning, but it can be done if you have the will.

One of the easiest foods to grow at home, even if you're new to gardening and have limited space, is sprouts. A highly-concentrated source of enzymes, vitamins, minerals and other phytochemicals, sprouted seeds are a true superfood that many overlook. In fact, the protein, vitamin and mineral content of many sprouted seeds far surpass that of organic homegrown vegetables.

Also emphasize foods high in [healthy fats](#), such as avocados, coconut oil, butter and nuts. The high fat content will provide you the calories you need despite smaller portions and keep you satiated longer (opposed to high-sugar, low-fat meals which will have you craving more food in a matter of hours). Healthy fats will also promote efficient fat burning and support mitochondrial health, which is essential for cellular functioning.

Sources and References

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