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 **DiscoveryNews.**

Credit Card Overuse Changes Consumer Expectations

By [Marianne English](#) | Tue Apr 19, 2011 01:37 PM ET

Materialistic consumers are more likely to believe the products they buy have transformative qualities, according to new [research](#).

In two studies, Marsha Richins of the University of Missouri examines the relationship between materialism and credit overuse. After surveying more than 400 people of various ages and income levels, she found that the more materialistic a person is, the more likely he or she is to attribute transformative qualities to a desirable product.

For instance, one subject said he would reap the social benefits of purchasing golf clubs because renting a set was embarrassing at business outings. Another subject elaborated on how purchasing an in-ground swimming pool would ease tensions in his family.

In both cases, products carry transformative qualities beyond their original purposes. What Richins wants to know is whether tying these qualities to objects affects people's willingness to spend.

In her second study, she found that credit overuse was associated with materialism, which suggests that assigning transformative qualities to objects seems to bolster spending.

Research in the past has emphasized materialism's role in influencing consumers, but few studies have looked at how it affects people's thoughts and actions toward buying.

Advertisers' claims about products are likely to influence this trend as well, with cosmetic commercials offering to transform consumers into beautiful, desirable women. Helping people understand false claims in ads may help them tighten their pocketbooks and avoid debt.

In the United States, more than 1.5 million people have filed for personal bankruptcies this year, as reported in *The Wall Street Journal*. Richins writes that understanding what drives consumption might help people better manage their finances and purchases. Financial literacy isn't the entire answer, but adopting a financially sound lifestyle is a start.

Richins explains that more research is needed to draw conclusions about where other financially risky behaviors such as gambling fit into the equation.

The study will be published in the *Journal of Public Policy and Marketing* this fall.



MU hydrogen car wins prize at race

The University of Missouri's hydrogen car team snagged a first-place award at the Shell Eco-marathon in Houston this weekend.

The team's vehicle, Tigergen II, won \$1,500 for the first prize in the Urban Concept hydrogen class. The Urban Concept category required vehicles running on alternative fuels to compete for efficiency while still resembling a traditional vehicle. Tigergen II achieved the equivalent of 490 miles per gallon, team member Victoria Hezel said.

The MU team is made up of College of Engineering students who have spent most of the year working on the vehicle. This was Tigergen II's second and final competition.



Senate backs federal education funds

By **RUDI KELLER**

NO MU MENTION

JEFFERSON CITY — The \$189.7 million supplemental spending bill that balances next year's state budget cleared the Senate yesterday and headed straight to Gov. Jay Nixon for his signature.

The bill had languished on the Senate calendar for weeks because of uncertainty over whether it would be the next target of the Senate's Republican band of federal budget cutters. With Senate debate on next year's spending set for tomorrow, passing the supplemental spending bills to finish the current year became urgent this week.

Failure of the bill would have endangered Senate Appropriations Committee Chairman Kurt Schaefer's plan to mitigate Nixon's cuts in higher education by \$20 million as well as provide \$20 million to restore a portion of the money cut from school transportation funding.

In the end, the bill to spend \$189 million in federal education money to compensate for state aid shortfalls passed 28-6. Sen. Jim Lembke, R-St. Louis, said the bill masks deeper problems with the state budget. Sen. Jane Cunningham, R-Chesterfield, who joined Lembke in voting against the bill, lamented the poor state of public education and said the state needs to take a firmer hand.

Schaefer, R-Columbia, was confident of the votes — and that he was not facing a filibuster — and stuck to precise descriptions of how the money was to be allocated and why.

Cigarette taxes, insurance taxes and casinos aren't producing enough money, Schaefer said, so \$35 million will fill the gap. The rest will be spent in the coming year, after some accounting shifts to make it look like it is being spent this year, Schaefer said.

The result will be an unchanged school fund of \$3 billion next year, Schaefer said.

"It all goes into the formula, which was the string attached to it on the federal level," he said.

Lembke challenged Schaefer's view. He said by not increasing education spending by the \$155 million that will remain next year, the school fund will shrink as a share of the budget. "The way I would characterize it, we put \$189 million more into education, and education is not going up, then we are taking money out," Lembke said. "We are filling a hole somewhere else in our budget so we do not have to make cuts."

As she listed her grievances with public education, Cunningham compared test scores against increases in state funding and said failing school districts have resisted laws giving their students access to adjacent districts. She also criticized high administrative salaries and teacher job security rules. "It is time for us to put the medicine with the sugar," Cunningham said.

When an education reform and funding bill passed in 1993, she said, the two were combined. Two generations of lawmakers pushed out by term limits have passed since. That leaves the Senate without a memory, she said.

"Term limits hurt us in a way that we don't have a historic background," she said.

In 1993, she said, educators promised they would meet reform goals. "I have seen a lot of sugar in this building but never any medicine," Cunningham said.

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MU Extension office realigns managers

University of Missouri Extension is realigning its management structure and doing away with one administrative position.

The move is part of a reorganization that began in November, when distance and online learning programs were pulled from MU Extension and placed under direct control of campus administrators.

The latest change came about when Associate Vice Provost Debbie Robison announced her retirement March 31, said Michael Quart, vice provost and director of Extension. Her position will not be filled.

Instead, two associate vice provosts will serve MU Extension, both reporting to Quart. Beverly Coberly will become associate vice provost for programs, and Rhonda Gibler will become associate vice provost for administrative management.



Pakistani journalist will give talk at MU

Umar Cheema, an award-winning investigative journalist from Pakistan, will speak at the **Reynolds Journalism Institute on the University of Missouri campus** at 7 p.m. Thursday.

Cheema is receiving the International Free Speech Award this month at Syracuse University.

Cheema works for The News, the largest English-language daily newspaper in Pakistan. In September, he was abducted in the early-morning hours and tortured by masked men. He was ordered not to talk about the incident or else face death, but he immediately went on television to tell his story.

Cheema's talk, which is free and open to the public, is sponsored by the Center for the Digital Globe.

April 19, 2011, 1:49 p.m. EDT

Bacon demand sizzles despite record price outlook

By Curt Thacker

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KANSAS CITY (MarketWatch) -- Pork belly prices are on pace to set records this summer as restaurants add bacon to everything from salads to sundaes.

Ongoing increases in bacon use by fast-food and casual dining restaurants come as grocery stores expect a seasonal pickup in demand in the months ahead. Consumers tend to make more bacon, lettuce and tomato sandwiches during the summer months. The pork product also continues to remain a breakfast staple.

About 44% of U.S. consumers will eat bacon within a two-week period, which is a record high, according to consumer studies conducted by the NPD Group, a Port Washington, N.Y.-based market research firm.

Americans aren't necessarily just eating more strips of bacon. Instead, they are increasingly using the cured or smoked meat as an ingredient to enhance the taste of a dish, said Harry Balzer, vice president of NPD.

"We're getting more flavorful foods using something that we're very familiar with," he said.

Prices for pork bellies, from which bacon is made, are responding to strong demand, with analysts and traders predicting bellies will set new, all-time highs this summer of \$1.70 to \$2.00 a pound. Cash market prices reached a record of \$1.60 a pound in September as belly supplies ran short.

Recent federal data put the price of 14- to 16-pound bellies at \$1.50 a pound, well ahead of \$1.10-a-pound price a year ago. Retail bacon prices climbed to \$4.537 a pound for March, 23.7% above prices a year ago, but still below the record high of \$4.773 a pound set in October, according to the U.S. Bureau of Labor Statistics. Pork belly futures also are above year-ago levels, but the contract is thinly traded.

Contributing to higher prices is a steep increase in hog prices. Yet the cost of bacon is outpacing other cuts of pork as restaurants add it to enhance the flavor of sandwiches and salads, increasing annual consumption.

"Every time bacon is put on a fast-food sandwich, it is incremental growth in sales," said Ron Plain, an agricultural economist at the University of Missouri.

A knock-on effect can follow. Most people find the taste of bacon on fast-food sandwiches to be appealing, and that may influence their purchasing decisions at the grocery stores, Plain said.

The number of restaurant menu items that include bacon has grown by approximately 60% during the past 10 years to around 3,000, according to the National Pork Board, a trade group to which producers contribute to promote pork.

One increased focus on bacon to attract diners is seen in an advertising campaign that Denny's Corp. (NASDAQ:DENN) rolled out last month called Baconalia. The promotion at Denny's restaurants includes seven bacon-laden menu items including a maple bacon sundae.

Adding bacon to a sandwich raises the cost by a few cents, and some restaurants have bumped up their prices to recover the added expense, analysts said.

Despite the growth in food-service use, Balzer said most of the bacon is still prepared at home. Grocery store sales typically expand in mid-summer when bacon, lettuce and tomato sandwiches are most popular.

Yet the rise in pork belly and bacon prices could slow, particularly if cost trumps taste and demand begins to pull back. Any seasonal strength will require the U.S. economy to grow more rapidly than it has so far this year, said Jim Robb, economist at the Livestock Marketing Information Center in Denver.

Bacon processors stored some additional bellies late last year when prices declined, but few bellies have been put into cold storage in recent months as prices climbed. The U.S. Department of Agriculture reported frozen belly supplies at the end of February at just over 51 million pounds, nearly unchanged from the previous month and down about 4.3 million pounds from a year ago.

THE MANEATER

Faculty review diversity course requirement, grievance policy at general meeting

Chancellor Brady Deaton and Budget Director Tim Rooney said faculty salaries were their "No. 1 priority."

By Jimmy Hibschi

Published April 19, 2011

Faculty Council Chairwoman Leona Rubin told the audience at Tuesday's General Faculty Meeting that her year in charge hasn't been easy – but it has been rewarding.

"It's been an honor and a pleasure to serve as your chair for the past two years," she said. "I'm wound about as tight as a clock, so I'm about due for a break. It's been sometimes frustrating, but definitely the most rewarding thing I've done in my time at MU."

Some issues on Rubin's plate this year were the diversity course requirement, the grievance policy and the capstone requirement. Consequently, these were among the updates she shared with the general faculty at the meeting in Wrench Auditorium.

She said that MU has seen three separate grievance policies over the past 10 years, which haven't met the desires of the faculty. Last week, the faculty decided it was satisfied with the pilot grievance policy program that has been in place since 2008, and voted for it to become permanent.

"The goal is to keep this process at MU, and this is a decision that you will be making," Rubin said, in reference to the fact that faculty will soon vote on this proposal.

Faculty will also soon vote on whether to implement the changes to the general education program, or more specifically, whether to adopt the diversity intensive course requirement.

"This is not new," Rubin said. "We've been listening to a lot of feedback on the requirement for a diversity intensive course on this campus. We're actually one of the remaining few AAU schools without a diversity course requirement for our students. This is an important addition for our program."

Also included in the vote will be a question of whether to modify MU's capstone requirement. Rubin said that the capstone requirement, in many departments, does not meet the needs of a

capstone course as it is typically defined. Other departments, she said, utilize the capstone very seriously.

The council decided to create a compromise, she said. The compromise is that students can either take a capstone course, or take a 4000-level course that would meet the capstone course requirement.

“We did this because if we just simply took the requirement away, it would be possible for a student to graduate without ever taking a 4000-level course,” she said. “We didn’t think that should happen.”

Chancellor Brady Deaton then took the stage, where he and several other administrators discussed topics ranging from the Campus Master Plan to faculty salary increases.

“We must address salaries,” Budget Director Tim Rooney said. “That is our No. 1 priority.”

Among the ways MU will generate revenue to fund the increase is increased enrollment and tuition. He said that a predicted 6,093 first-year college students will attend MU next year, up six from last year. The predicted total undergraduate enrollment is 25,463 – 999 more than last year.

Deaton recognized the Kemper Fellows at the meeting, though he said the list of faculty he could have honored goes on and on.

“I have to hold back my impulse at every faculty meeting to tell you all of the wonderful things that we get to see,” Deaton said.

THE MANEATER

Faculty push to make grievance policy official

The pilot program has been in place since 2008.

By Megan Hager

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In the past 10 years, MU has tried three grievance policies, each ending with unsatisfactory results in the eyes of faculty members. Last week, Faculty Council gave its recommendation to make the pilot program that has been in place since 2008 the university's official policy.

A grievance policy is in place to protect faculty from rule infractions by other faculty members or administrators. Faculty Council members approved the current policy in 2008 because they felt it was an improvement from the previous one, which had drawn out the process of filing a grievance, Faculty Council Chairwoman Leona Rubin said.

"It took too long," Rubin said about the previous plan. "Sometimes cases took over a year and there was no Oversight Committee to see if recommendations by the committee were actually followed through."

The grievance policy outlines the grievance process, the different parties involved and their roles during the process.

After a faculty member files a grievance, it goes before the Grievance Resolution Panel, who will investigate the case, listen to all parties involved and make the final decision. But first, they decide if it's a grievance case.

"Some of the conditions are that it has to actually be a rule violation," Rubin said. "And it has to be filed within 180 days of the incident. Sometimes it's difficult to tell if they've actually violated a rule until they start investigating."

The Oversight Committee, which is comprised of only faculty members, monitors the process to ensure the grievance process is fair. They report back to Faculty Council on a consistent basis and are also responsible for making sure any recommendations made by the GRP are followed through.

"The goal of this pilot is really is to bring all the parties to the table and solve the problems, and not have it drag it for a year, and have people not grossly angry and unhappy with each other,"

Rubin said. "They address it quickly, and if it's not addressable, it's done quickly enough that it can go to the courts. I think it's a good process to try to solve problems."

Rubin said there is some opposition to the policy because the GRP is comprised of two faculty members and one administrator, which is the main source of the discontent.

"The authors of this process, when we were working on this two years ago in 2008, felt that this was important that both parties be rep and accountable," Rubin said. "We feel accountability is only there if everybody is part of that process."

Electrical engineering professor Greg Engel, who was suspended from teaching last semester after multiple student complaints came from one of his classes, said he was against the grievance process.

"The grievance process, in my opinion, is skewed to the admin," Engel said. "Basically, whatever comes out of the panel is only a recommendation. As long as the chancellor has the final say without being made to address the grievance panel, then it's pointless."

One allegation against Engel is that he discriminated against students on the basis of sex and race. Engel was also removed from the head of a Navy research project awarded to him last semester.

He said a few changes could be made to make the grievance process fairer.

"Getting administration off of the panel is a good idea," Engel said. "Weighting the grievance panel decision by making it more than a recommendation is a big step in the right direction, because there has to be faculty government. The admin can't control everything and faculty can't control everything."

He said Chancellor Brady Deaton's role in the process should be reduced.

"They should make it so the chancellor just can't override it," Engel said. "Make it so he can't have ultimate say. He's a king. He's an emperor. He's a tyrant."

Rubin said the chancellor always has the last word in grievances, but only has control of the budget and facilities.

"Because we have an administrator on the panel, Chancellor Deaton has said he feels much more comfortable with the possible outcomes of these panels, since he knows there is someone on board who knows what is possible and who will keep him informed if necessary," Rubin said. "That was part of the goal of having an administrator on the panel."

Previously, the chancellor would have spent months reviewing documents and the case before making the final decision, Rubin said.

So far, the GRP has only reviewed two cases, in which they did not see in favor of the grievances. Another two are in the process and four were not reviewed at all.

Rubin said because the process is only two years old, there's still time to work out the details.