



## 20% 'Fat Tax' Needed to Fight Obesity

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It's a proposition some might find hard to swallow: a 20-percent tax on unhealthy food to improve the health of the nation.

Yet such a tax — spread across the food chain from manufacturer to consumer, coupled with [changes in food policy](#) to spur production of healthier food — is needed to reverse the [pandemic of obesity](#) and chronic diseases, researchers say.

Two articles published online today (May 15) in the British Medical Journal describe this course of action. These opinion pieces come one week before the 65th World Health Assembly, to convene on May 21 to 26 in Geneva, where diet-related diseases will be the primary topic.

### Size of fat tax

One article, led by Oliver Mytton of Oxford University's Department of Public Health, looked at tax schemes worldwide to see what has worked, however marginally. Many countries are now using such "sin" taxes, which have curbed tobacco and alcohol use, to limit the consumption of unhealthy food, Mytton said. These taxes are based on the basic economic theory that, as the price of an item rises, the consumption of that item will fall.

But this theory isn't necessarily true with food, Mytton said. Just because the price of microwave-ready, deep-fried, gooey cheese sticks goes up doesn't mean the nation will switch to kale. People might continue eating deep-fried, gooey cheese sticks, because that's what they like to eat and that's all they know how to eat.

Mytton's group, however, found numerous cases in which a relatively high tax altered food consumption in a healthful way. One example comes from Denmark, where early assessment is showing that a new relatively high "fat tax" on oh-so-cherished saturated fat has prompted people to eat foods with a healthier fat profile. Another study comes from Boston, at the Brigham and Women's Hospital cafeteria, where a 35-percent increase in [the price of sugary drinks](#) led to a 26-percent reduction in consumption.

Analyzing such [food tax schemes](#), Mytton's group eyeballed a 20-percent tax as the level at which changes on food consumption become noticeable.

Mytton is cognizant of unintended consequences of food taxes — for example, trading one evil for another, less sugar for more fat, or buying less *healthy* food for lack of money to buy *any* food. For this reason, he suggests introducing a sugary beverage tax, in which the alternative is usually drinking more tap water.

"A tax isn't going to fix obesity; it's not going to fix diet-related diseases," Mytton said. "There's no single solution. But it can have a role in moving people in the right direction" with their eating patterns. Mytton also would like to see subsidies for healthy foods, such as fruit and vegetables.

### **Food policy and marketing**

A second article, by Corinna Hawkes of the Centre for Food Policy at City University, London, calls for broad changes in food policy and marketing. This opinion piece complements a scientific paper Hawkes and her colleagues published last month in the journal *Food Policy*, which primarily targets the food industry as the best place to fight [diet-related diseases](#).

Hawkes argues that changes in food production — for example, less sugar, salt and trans-fats, used now because they are inexpensive alternatives for healthier ingredients — could dramatically lower the incidence of obesity and heart disease with minimal effect on consumers' pocketbooks.

In essence, she is calling for a reversal of the changes in the food supply system that, in recent decades, have "coincided with rises in obesity and non-communicable diseases," she said. During this period, large food processors and retailers have wielded greater control over food production through tightly controlled supply chains. Through better price control and innovative marketing, these companies have created a consumer demand for cheaper but unhealthier food, largely in the form of [easy-to-prepare processed foods](#) and drinks.

Strategies similar to what went into the creation of inexpensive, unhealthy food — cheap corn syrup as sweetener, or cheap soy and corn to fatten cattle — could work to make the industry find ways to use healthier ingredients and healthier manufacturing practices, Hawkes said.

And then there's marketing: "Food marketing to children simply must be stopped," said Hawkes "It's absurd that it exists at all."

Patrick Basham of the Cato Institute, a libertarian think tank, is one of many who have argued that sugar and fat taxes are misguided, because they do little to change consumer-buying habits. In a March 30 article in *U.S. News & World Report*, Basham said that [soda taxes](#) would need to be 100 percent just to see a 10-percent drop in consumption, on average across the entire population.

Also, given the poor economy, governments might be less willing to introduce taxes or changes in the food supply if they have a negative impact on jobs.

Mytton, who describes himself as pragmatic, said that governments actually might see food taxes as a way to generate revenue while reducing health costs. He points to countries such as Mexico, where diabetes now is the leading killer, something entirely the result of a poor diet and which is predicted to bankrupt the country's health system by the end of the decade.

*Christopher Wanjek is the author of the books "[Bad Medicine](#)" and "[Food At Work](#)." His column, [Bad Medicine](#), appears regularly on LiveScience.*