



Sugar Taxes Are Unfair and Unhealthy

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About [Patrick Basham](#):

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If the regulatory discussion about sugar is going to be based on science, rather than science fiction, it needs to move beyond kicking the soda can.

Conventional wisdom says draconian regulation--specifically, a high tax--on sugary drinks and snacks reduces unhealthy consumption, and thereby improves public health. There are many reasons, however, why high sugar taxes are at best unsuccessful, and at worst economically and socially harmful.

Research finds that higher prices don't reduce soda consumption, for example. No scientific studies demonstrate a difference either in aggregate soda consumption or in child and adolescent Body Mass Index between the two thirds of states with soda taxes and those without such taxes.

[[See the U.S. News rankings for the Best Diets.](#)]

The study that did find taxes might lead to a moderate reduction in soda consumption also found this had no effect on adolescent obesity, as the reduction was completely offset by increases in consumption of other calorific drinks.

Economic research finds sugar taxes are a futile instrument in influencing the behavior and habits of the overweight and the obese. Why do sugar taxes fail? Those consumers who strongly prefer unhealthy foods continue to eat and drink according to their individual preferences until such time as it becomes prohibitively expensive to do so.

Demand for food is largely insensitive to price. A 10 percent increase in price reduces consumption by less than 1 percent. Applied to soda, this means that to reduce

consumption by 10 percent, the tax rate on sugary drinks would need to be 100 percent!

A sugar tax also has undesirable social and economic consequences. This tax is economically regressive, as a disproportionate share of the tax is paid by low earners, who pay a higher proportion of their incomes in sales tax and also consume a disproportionate share of sugary snacks and drinks.

[\[10 Things the Food Industry Doesn't Want You to Know\]](#)

Such taxes also have perverse, unintended consequences. Taxes on sugary snacks lead many consumers to replace the taxed food with equally unhealthy foods. Poorer consumers react to higher food prices not by changing their diets but by consuming even fewer healthy foods, such as fruits and vegetables, and eating more processed foods. For instance, taxes levied specifically on sugar content increase saturated fat consumption.

Sugar taxes have failed where they've been tried, and are unfair and unhealthy. Given that there's no compelling evidence they'll improve public health, we can't justify using the tax code to shape the sweetness of our dietary choices.