Move Over, Big Tobacco — Make Room for Big Soda

By Ruth Kava — November 28, 2016

For years now, activists such as CSPI have been agitating for a tax on sodas and other sugary soft drinks. They have been making headway under the rubric of aiming to improve public health. Thus far, sweetened soft drink taxes have been approved by voters in Berkeley CA, Philadelphia PA, Boulder CO, San Francisco, Oakland, and Albany, CA. Can others be far behind?

Supposedly, these taxes are enacted to reduce consumption of such beverages, but by the way, they will obviously also increase government revenue. And will those funds really be used for public health initiatives, or more to fix potholes and fulfill other governmental responsibilities? More to the point, will these taxes really benefit public health — by supporting measures to educate consumers, for example? Will we see a concomitant drop in obesity rates, especially among children and teens, if they drop their sugary beverage consumption?

Further, we don’t know whether or not such taxes will make a substantial difference in the amount of sugary beverages consumed, and more to the point, will decreased consumption lead to lower rates of obesity and type 2 diabetes? In Mexico [2], which passed a national tax of about 10 percent on sugary beverages in 2014, there has been an approximately only a 6 percent decline in their consumption. And it’s too soon to know if there has indeed been an impact on obesity and diabetes rates.

In the United States, most added sugars (the kind demonized by food activists) actually come from foods rather than beverages, according to a report [3] from the National Center for Health Statistics. Foods contributed two thirds of the calories from added sugars, compared to 33 percent from beverages. And most of those calories were consumed at home. So how do we know that a
decrease in sugary beverage consumption won't be offset by increased consumption of sugary foods at home?

It's easy to paint sugary beverages with the same brush as we've seen used against cigarette smoking — and to label the soft drink industry with a "Big Tobacco" type moniker. But the comparison isn't apt. There is no way one can smoke cigarettes without compromising health, while a moderate consumption of sugar-sweetened beverages poses no risk to health.

It will be instructive to learn over the next few years, whether the latest taxes on such soft drinks do indeed sound a death knell for soda consumption, and as a result will improve the obesity and diabetes statistics in the US. Or how the governments in those areas will use the increased tax revenue. Check back in 2025 and we'll see how it's all worked out.


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